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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

In re ACACIA MEDIA TECHNOLOGIES CORPORATION	Case No. 05 CV 01114 JW MDL No. 1665 **PLAINTIFF ACACIA MEDIA TECHNOLOGIES CORPORATION'S COMBINED REPLY IN SUPPORT OF LEGAL MEMORANDUM RE THE DEFINITIONS OF THE CLAIM TERMS FROM THE '992 AND '275 PATENTS**

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I. INTRODUCTION

Acacia hereby replies to the 157 pages of opposition briefs presented by the two groups of defendants regarding the construction of the remaining terms for the asserted claims of the '992 and '275 patents. In this reply, Acacia responds to defendants' contentions and arguments and demonstrates why the Court should adopt each of Acacia's proposed constructions for the terms at issue, with two notable exceptions.

First, Acacia hereby withdraws claims 47, 48, 49, 51, 52, and 53 of the '992 patent. In an effort to streamline this claim construction process, Acacia hereby abandons its claims of infringement for these claims in this litigation. By this act, Acacia eliminates the need for this Court to construe the following terms (claim term Nos. 30-43):

30. "storage means . . ." ('992 patent – 47);
31. "requesting means . . ." ('992 patent – 47);
32. "transmission means . . ." ('992 patent – 47);
33. "receiving means . . ." ('992 patent – 47);
34. "memory means . . ." ('992 patent – 47);
35. "playback means . . ." ('992 patent – 47);
36. "conversion means. . ." ('992 patent – 48);
37. "formatting means. . ." ('992 patent – 48);
38. "ordering means. . ." ('992 patent – 48);
39. "compression means. . ." ('992 patent – 48);
40. A distribution system as recited in claim 47, wherein the memory means includes a means for receiving . . ." ('992 patent – 49);
41. "A distribution system as recited in claim 49, wherein the head end of the cable television system includes means for distributing compressed signals" ('992 patent – 51);
42. "A distribution system as recited in claim 49, wherein the head end of the cable television system includes means for decompressing . . ." ('992 patent – 52); and

43. “A distribution system as recited in claim 47, wherein the memory means is an intermediate storage device” (‘992 patent – 53).

Thus, there is no longer a justifiable controversy relating to these claims, and the Court need do no further work on them.

Second, Acacia has decided to adopt, in most part, the Rounds 1 and 2 defendants’ proposed construction for the terms “remote location selected by the user” and “selected remote location.” (See, Section No. 8, *infra*). In their brief, the Rounds 1 and 2 defendants state that they have proposed a “middle ground,” and Acacia agrees with this characterization of defendants’ proposed construction. Acacia discusses this decision and the modifications that Acacia has proposed to the Rounds 1 and 2 defendants’ proposed construction in Section No. 8, herein.

Before discussing the claim terms themselves, Acacia notes in response to defendants’ characterization of the Yurt patents as “incoherent,” “self-contradictory,” “make no sense,” and are “indefinite,” that these asserted claims are not indefinite, and prior indefiniteness rulings on the terms “sequence encoder” and “identification encoder” have no relevance or application whatsoever to the claim terms at issue here, which do not contain either of those terms. The Court has already considered and *construed* many other terms discussed in the common specification and these new terms are similarly not indefinite and are construable.

For the umpteenth time in this litigation, the Sarnoff Report has been cited, this time by the Round 3 defendants. The Sarnoff Report is not prior art and it is *extrinsic* evidence which was written in April 1992, more than one year after the filing date of the ‘992 patent. It is irrelevant to the Court’s construction of the claim terms.

Objective evidence refutes defendants’ pejorative characterizations of the Yurt patents. The first evidence is the fact that the Delphion website (www.delphion.com) reports that the ’992 patent alone has been cited in 213 issued U.S. Patents since the ‘992 patent was issued in 1992. Some of the companies who own the patents which cite the ’992 patent include DIRECTV, Sony, Hewlett-Packard, Intel, IBM, Microsoft, Real Networks, and Bell Atlantic. Further, Acacia has now licensed the Yurt family of patents to over 300 different entities, including Bloomberg, CinemaNow, E.W. Scripps, Gannett, LodgeNet, OnCommand, Revlon, T. Rowe Price, The Walt Disney Company, Travelers, Tribune, Wachovia, Wendy's, WWE, and Xerox. The Yurt patents are understandable and the claim terms at issue from the '992 and '275 patents discussed herein are definite and construable, as proposed by Acacia.

II. CLAIM 19 OF THE '992 PATENT

1. "Distribution Method Responsive to Requests From a User Identifying Items in a Transmission System Containing Information" ('992 Patent, Claim 19)

a) The Preamble of Claim 19 is Not a Separate Limitation

As noted in Acacia's opening brief, a preamble generally does not limit the claims. *DeGeorge v. Bernier*, 768 F.2d 1318, 1322 n. 3 (Fed. Cir. 1985) ("generally, and in this case, the preamble does not limit the claims."). Here, the Round 3 defendants essentially advance three arguments that the preamble of claim 19 should be construed as a separate limitation: 1) the preamble was relied upon during prosecution; 2) the preamble recites important steps; and 3) the preamble provides antecedent basis for limitations in the body of claim 19 and its dependent claims. But each of these arguments fail because they are each factually incorrect, based on an erroneous legal standard, or both.

(1) The Preamble of Claim 19 was Not Relied Upon to Distinguish Prior Art During Prosecution.

Despite the Round 3 Defendants' conjecture that the preamble of claim 19 was relied upon to distinguish prior art during prosecution of the '992 patent, their conjecture is not supported by any evidence. While the patentees amended the preamble, they did so only to clarify the claim following an interview with the Examiner, not to overcome prior art. The patentees made other amendments to the *bodies* of the claims to overcome prior art.[1] This is clear from a complete examination of the amendment attached as Exhibit F to the Benyacar Declaration, as opposed to the cursory out-of-context analysis offered by the Round 3 Defendants. Specifically on pages 10 and 11 of that amendment, the patentees distinguished the Abraham, Ulicki and Keith patents on grounds other than merely the fact that the steps were being performed by a "transmission system":

---

[1] These changes are even acknowledged by the Round 3 Defendants (Round 3 Brief Part I, p. 8 – "Corresponding changes were made to the body of the claim as well.")

> The claims clearly define over the references cited by the Examiner. For example, none of the systems in those references performs the precompression processing set forth in claim 1 (and claim 41) as the functions performed by the identification and coding means, the conversion means, the ordering means, and the compression means. Nor do these references teach the recited compressed data storing means which stores the compressed, sequence data box with the unique identification code assigned by the identification and coding means. Instead, Abraham and Ulicki teach a real time system in which the information is stored in its original format and is then transmitted to a receiver.
>
> The distribution method of claim 18 and distribution system of claim 47 are also nonobvious over the references cited by the Examiner for those distinctions. In addition, these claims require a complete a copy of the transmitted information to be stored at the receiving system for playback at a time selected by the user, which distinguishes this invention from a real time system. …
>
> For these reasons and because the claims have been amended to define the invention more clearly, Applicants respectfully request …
>
> Finally, Applicants have reviewed all the claims and made amendments to ensure consistency and to correct certain minor matters discussed during the interview.

(December 26, 1991, Response to Office Action, at pp. 10-11; Exhibit F to Benyacar Decl.)

These distinctions have nothing to do with the amendments that were made to the preamble. Therefore, the amendments to the preamble fall into the category of amendments "to define the invention more clearly" or to "ensure consistency and to correct certain minor matters" not to distinguish the prior art. Indeed, the prior art was distinguished on grounds that had nothing to do with the preamble. *See Id;* Petition to Make Special, Benyacar Decl. Ex. B., p. 7 (Lang fails to teach or suggest the **steps** of the distribution method claimed in independent claim 18) (emphasis added).

(2) Claim 19 Is Complete Without the Preamble

As explained more fully in Acacia's opening brief, the steps of the method of claim 19 describe a complete distribution method without the preamble. Specifically, if the steps of claim 19 are performed, regardless of the preamble, distribution is accomplished.

The Round 3 defendants' argument to the contrary, focusing on support in the specification for a system that transmits items of information, relies on an erroneous construction of "items of information" and impermissibly seeks to import limitations from the specification into the claims. *Hoganas AB v. Dresser Indus.*, 9 F.3d 948, 950 (Fed. Cir. 1993). The quotations from the specification pointed to by the Round 3 defendants do not underscore the importance of any steps or structure of the invention, rather, they merely describe aspects of the invention, and therefore do not make the preamble into a separate limitation. *Intirtool, Ltd. v. Texar Corp.*, 369 F.3d 1289, 1295 (Fed. Cir. 2004).

The steps of the claim make clear that "information" is being transmitted – the Round 3 Defendants' attempted importation of the phrase "items of" before "information" impermissibly limits the scope of these claims, and leads to a peculiar result. Specifically, under the Round 3 Defendants' proposed construction, one could avoid infringement by transmitting all but the last frame of the credits of a movie file, if that movie file is an "item." The patentees carefully drafted their claims to avoid this problem, and their demonstrated intent should be respected here.

(3) The Fact that a Claim Element May Have Antecedent Basis in the Preamble Does Not Mean That the Preamble is a Separate Limitation

The Round 3 Defendants also argue that because terms in the bodies of claim 19 and its dependent claims derive their antecedent basis from terms in the preamble of claim 19, the preamble is a separate claim limitation. But that argument mischaracterizes the established law of the Federal Circuit. Specifically, where terms in the body of a claim derive their antecedent basis from the preamble, and the preamble provides reference points, environment, or an intended use for the claimed invention, the preamble is not a limitation, regardless of any antecedent basis.

For example, in *Vaupel Textilmaschinen KG v. Meccanica Euro Italia S.P.A.*, 944 F.2d 870, 872 (Fed. Cir. 1991), the patent claimed a method and an apparatus for weaving and cutting fabric. The preamble to the method claim recited: "[a] method of forming a plurality of patterned strips of fabric woven from threads of synthetic material using a broad weaving machine having a sley and a breast beam, which method comprises ..." *Id*. The body of the claims referred back to "the breast beam" and "the breast plate" recited in the preambles. *See, Id.,* at 872-73. On the basis of these references back to apparent antecedents for claim terms recited in the preambles, the accused infringer argued that the terms "breast plate" and "breast beam" constituted structural claim limitations. *Id.,* at 879-80. Rejecting the defendant's argument, the court explained that "'[b]reast beam' and 'breast plate' are not structural limitations . . . as used in [the claims], they indicate a reference point to fix the direction of movement of the woven fabric from the loom." Id., at 880.

Similarly, in *C.R. Bard, Inc. v. M3 Sys., Inc*., 157 F.3d 1340, 1346 (Fed. Cir. 1998), the court held that the preamble at issue did not limit the patent's claims because it "simply states the intended use or purpose of the invention" and describes "'reference point[s] that provided guidance in understanding and construing the claim," rather than "provid[ing] antecedents for ensuing claim terms and limit[ing] the claim accordingly." *C.R. Bard*, 157 F.3d at 1350 (emphasis added). The patent-in-suit claimed a type of needle for use in a "biopsy needle firing device or 'gun' [that] mechanically injected] a biopsy needle assembly into the core body tissue." *Id.,* at 1346. Specifically, the patent claimed:

> A biopsy needle for use with *a tissue sampling device having a housing* with, a forward end, a first slide mounted for longitudinal motion within said housing, and a second slide mounted for longitudinal motion within said housing, said biopsy needle comprising:
>
> a hollow first needle having proximal and distal ends; a second needle extending through said hollow first needle and freely slidable therewithin, said second needle having proximal and distal ends; a first head mounted to said proximal end of said hollow first needle, said first head including first flange means associated therewith for coupling said hollow first needle to said first slide for longitudinal motion both toward and away from said forward end of *said housing*; and a second head mounted to said proximal end of said second needle, said second head including second flange means associated therewith for coupling said second needle to said second slide for longitudinal motion both toward and away from said forward end of said housing.

Id. at 1348-49 (emphasis added).

The "structure of the gun housing into which the needles fit" was first recited in the preamble, and clearly provided the antecedent basis for the references to "said housing." *Id*., at 1349-50. Nonetheless, the Federal Circuit determined that the "housing" recited in the preamble did not constitute a structural limitation of the claimed invention. *Id*., at 1349-50. First, the court observed that the preamble "simply states the intended use or purpose of the invention" and "such a preamble usually does not limit the scope of the claim." *Id*., at 1350. Second, citing *Vaupel*, the *C.R. Bard* court characterized the preamble as providing non-limiting "reference points" for "guidance in understanding and construing the claim." *C.R. Bard*, 157 F.3d at 1350. The court explained that "the preamble ... recites the portion and structure of the gun housing into which the needles fit, and provides reference points in the gun that aid in defining the needles as set forth in the body of, the claim." *Id*. Thus, the court concluded that "the gun structure is not part of the separate claims to the needles." *Id*.

The case on which the Round 3 Defendants principally rely for their antecedent basis argument – *Electro Sci. Indus. v. Dynamic Details, Inc.*, 307 F.3d 1343 (Fed. Cir. 2002) – does not help defendants. The court in *Electro* did not hold that the preamble in that case was a separate claim limitation; it merely used the preamble as an aid to defining the "etched circuit boards" as the "workpiece" processed in accordance with the steps of the claimed method. *Id* at 1349-50. The preamble at issue in *Bell Communications. Research v. Vitalink Communications Corp.*, 55 F.3d 615, 618 (Fed. Cir. 1995), relied on by defendants, unlike the preamble here, recited essential structure in a lengthy preamble full of "said" clauses, the elimination of which would have rendered the claims meaningless.

Just as in *Vaupel* and *C.R. Bard*, here the preamble of claim 19 provides an intended use of the claimed method – it is not necessary to breathe life into the claim.[2] The preamble is therefore not a separate claim limitation, regardless of how many terms in the claims derive their antecedent basis from terms that first appear in the preamble.

2. "Remote Locations" ('992 Patent, Claims 19, 41, 47; '275 Patent, Claims 2, 5)

a) The Term "Locations" Should Not Be Construed to Mean "Premises"

Both groups of defendants address the construction of the term "remote locations" in connection with the phrase "remote locations selected by the user," and other similar phrases. Acacia addresses defendants' contentions related to the "selected" portion of the phrase in Section No. 8, below.

Additionally, both groups of defendants contend that the term "locations" in the phrase "remote locations" means "premises," based solely on a statement made by the patentees during the

[2] This point is explained more fully in Acacia's opening brief, and was not rebutted by any of the defendants, and is therefore, for the sake of brevity, not discussed again herein.

prosecution of the ‘863 patent when discussing a portion of the specification relating to the prior art *Walter* patent. (*See,* Comcast Opposition, at 18-19 and Round 3 Defendants’ Opposition (Part 1), at 21-23). The Court rejected this very argument previously in Markman I and Markman II. (Markman I, at 4-7; Markman II, at 4). As the court has already held, this statement is not a disavowal of claim scope. *See, Teleflex, Inc. v. Ficosa N. Am. Corp*., 299 F.3d 1313, 1326 (Fed. Cir. 2002) (“Likewise, the prosecution history may demonstrate that the patentee intended to deviate from a term's ordinary and accustomed meaning, i.e., if it shows the applicant characterized the invention using words or expressions of manifest exclusion or restriction during the administrative proceedings before the Patent and Trademark Office.”); *Cordis Corp. v. Medtronic AVE, Inc.*, 339 F.3d 1352, 1358 (Fed. Cir. 2003) (a disclaimer of claim scope requires “clear and unmistakable statements of disavowal.”)

Defendants do not mention the fact that the patentees made their statement in the ‘863 patent prosecution history simultaneously with their cancellation of pending claims 33 and 34 and replacement of those claims with claims 43 and 44. The net result of this change was, among other things, to *remove* the word “location” from some portions of the claims and *replace* it with the word “premises.” (*See*, June 6, 1999 Response, at 6-7, Exhibit J to Benyacar Decl., pages 7-8 of 10). Thus, the patentees did not intend that the term “location,” as used in the ‘720 patent claims (or in the prior ‘992, ‘275, and ‘863 patent claims), would take on the new meaning of “premises,” because the patentees removed the word “location” from the claims and replaced it with the word “premises” when they wanted to communicate a “premises” rather than a “location.”

Even as they were making their statement in the ‘863 patent prosecution history, the patentees continued to use the term “location” *together* in the same phrase with the word “premises.” (*See,* preamble of prosecution claim 43: “A transmission system responsive to input from a user positioned at an accessing *location* for transmitting information to a *premises* selected by the user” and claim 4 of the ‘720 patent: “wherein said means for transmitting, said means for storing, and said means for transmitting are positioned at the same *location*, and wherein the at least one of the plurality of subscriber stations is located at a *premises* geographically separated from the *location* of the reception system.” (emphasis added).) The use of two different terms in the same

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claim phrase gives rise to the inference that a different meaning should be assigned to each. *See, Bancorp Servs., L.L.C. v. Hartford Life Ins. Co.,* 359 F.3d 1367, 1373 (Fed. Cir. 2004). Therefore, the term "location" cannot mean "premises," otherwise these two terms would have the same meaning in the same claim phrases in the '720 patent claims.

3. "Storing, in the Transmission System, Information From Items In a Compressed Data Form, the Information Including an Identification Code and Being Placed Into Ordered Data Blocks" ('992 Patent, Claims 19, 47; '275 Patent, Claims 2, 5)

a) The Identification Code is Not in a Compressed Data Form

Both groups of defendants contend that the phrase "storing, in the transmission system, information from items in a compressed data form, the information including an identification code and being placed into ordered data blocks" means that the identification code must be in "a compressed data form."

As with all claim phrases, the Court must construe this claim phrase *consistently* with the specification. *See, Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005), *quoting, Merck & Co. v. Teva Pharms. USA, Inc.*, 347 F.3d 1367, 1371 (Fed. Cir. 2003) ("A fundamental rule of claim construction is that terms in a patent document are construed with the meaning with which they are presented in the patent document. Thus claims must be construed so as to be consistent with the specification, of which they are a part.")

Here, the claim phrase does not explicitly state that the identification code is in a compressed data form – it only states that the information from the items is in the compressed data form. The specification states that the information after being retrieved from the item is given an identification code and states that each item is given an identification code. (*See,* '992 patent, 2:31-34; 6:35-39; 18:63-69). In other words, according to the specification, the identification code is not part of the information from the items; rather, it is separate from the information and given to the information after it is retrieved from the item. The fact that the claim phrase does not explicitly state that the identification code is in a compressed data form is consistent with the specification. *See, Old Town Canoe Co. v. Confluence Holdings Corp.*, ___ F.3d ___, 2006 U.S. App. LEXIS 11435, at *16 (Fed. Cir. May 9, 2006) (where the claim is not explicit, the court may look to the specification for guidance: "The claim does not state explicitly whether the completion of coalescence means that the plastic particulate must reach its optimum state. However, the written description provides guidance in describing coalescence as being complete when it reaches an optimal state as opposed to when the process is brought to a halt.")

The Rounds 1 and 2 defendants contend that Acacia is attempting to rewrite the claim phrase, but it is actually defendants who are attempting to rewrite the claim phrase. (Comcast Opposition, at 3:20-4:4). The Round 3 defendants admit as much. The Round 3 defendants contend that the storing step includes the step of obtaining the information from the items, but this step is not stated in the claim. (*See*, Round 3 Defendants' Opposition (Part 1), 12, n. 16: "Although the step of obtaining the information from the items in the transmission system is not stated explicitly in the claim, the information necessarily must be obtained given that the claim describes the information as being 'from items.') The Round 3 defendants even justify adding this step to the claim phrase by reference to the specification (an act for which both groups of defendants criticize Acacia). (*See,* Round 3 Defendants' Opposition (Part 1), at 12, n. 16: "The specification confirms that '[a]s illustrated in Fig. 7, the first step of the distribution method 400 involves retrieving the information . . .' (Col. 18:53-54)")

The Round 3 defendants do not stop there. They also seek to add the limitation to the claim phrase that "the identification code be retrieved from the plurality of physical items which contain the information." (Round 3 Defendants' Opposition (Part 1), at 13:9-10). Inherent in the Round 3 defendants' added claim limitation is the fact that the item having information, before being compressed, must have had an identification code *that could be retrieved from the item*. This limitation is nowhere to be found in the claim or in the specification. Instead, the specification states that the identification code may be given to the information after it has been retrieved from the item or may be given to each item. ('992 patent, 2:31-34; 6:35-39; 18:63-69). Further, according to the specification, the identification code may be assigned to the item *after* it is stored in its compressed form in the compressed data library: "Storage encoding may be performed just prior to conversion of the item for transmission to the reception system 200, at any time after starting the conversion process, or after storing the item in the compressed data library 118." ('992 patent, 6:43-47). In other words, the limitation which the Round 3 defendants seek to add to the storing step is *inconsistent* with the specification and it is therefore improper for the Court to add such a limitation to the storing step. *See Phillips*, 415 F.3d at 1315-16.

b) The Storing Step of Claim 19 Does Not Include the Acts of Ordering or Compressing

The Round 3 defendants contend that the storing step requires that the steps of obtaining, ordering, and compressing be performed as part of the storing step. Thus, according to the Round 3 defendants, claims 19 of the '992 patent and claims 2 and 5 of the '275 patent can only be infringed if, prior to storing the information, the accused infringer (or someone on its behalf) were to retrieve uncompressed information and an identification code from each item, order the information to create ordered data blocks (but apparently not the identification code), compress both the ordered data blocks and the identification code, and *then* store the compressed information and the identification code.

This is not at all what is claimed in the storing step. The language of the storing step makes clear that the acts of compressing and ordering are in the past tense and the presence of the word "being" does not change this fact. Claim 20, which depends from claim 19, demonstrates that the only act of the storing step of claim 19 is the act of storing information that has been placed into ordered data blocks and has been compressed. Claim 20 states that the step of storing of claim 19 comprises the steps of: (1) coverting; (2) formatting; (3) *ordering* signals into a sequence of addressable data blocks; and (4) *compressing* the ordered information. If the step of storing of claim 19 of the '992 patent and claims 2 and 5 of the '275 patent already included the steps of ordering and compressing, then claim 20 would not need to state that the step of storing includes the steps of ordering and compressing. Pursuant to the doctrine of claim differentiation, therefore, this storing step of claim 19 *cannot* include the steps of ordering and compressing, as the Round 3 defendants contend, because these steps are added in dependent claim 20. *Phillips*, 415 F.3d at 1314-15, *citing*, *Leibel-Flarsheim Co. v. Medrad, Inc.*, 358 F.3d 898, 910 (Fed. Cir. 2004) ("[T]he presence of a dependent claim that adds a particular limitation gives rise to a presumption that the limitation in question is not present in the independent claim.")

The Round 3 defendants apparently also realize that claim 20 demonstrates that ordering and compressing are not separate acts of the storing step of claim 19. To avoid this fact, however, the Round 3 defendants attempt to argue that Acacia is at fault: "If, per Acacia's reading of claim 19 – the information must have been 'previously' ordered and compressed, then dependent claim 20 could not require those same steps be performed during the 'storing' step." (Round 3 Opposition (Part 1), at 13:5-7). The Round 3 defendants have it backwards. Claim 20 *adds* the ordering and compressing steps, not because they are part of claim 19, but rather because they are *not* part of claim 19. If these steps were part of the storing step of claim 19, then claim 20 would not have to repeat them; rather, claim 20 would have only had to have added the converting and formatting steps, which are also not part of claim 19. If the Round 3 defendants' followed their own logic, they would have to contend that the storing step of claim 19 also includes the steps of "converting" and "formatting," otherwise claim 20 could not also require these steps. The Round 3 defendants are not contending that the storing step includes "converting" and "formatting" steps.

c) There is Not a Single Identification Code that Identifies All of the Information from All of the Items

The Round 3 defendants further contend that the storing step "requires that there be at least one identification code that identifies the totality of the information from all of the items." This construction is not supported by the claim itself, because the claim does not state what the identification code identifies. The claim certainly does not state that there is a single identification code which identifies all of the information from all of the items. The Round 3 defendants' proposed construction would suffer from the infirmity that no stored items could ever be requested or located again if the information for all of the stored items is collectively identified by only a single identification code.

The Court must consult the specification and, in this case, the specification makes clear that there is an identification code for each item. ('992 patent, 6:35-39). This makes sense, because the identification code is used to later locate the item when it is stored in the compressed data library. ('992 patent, 10:17-22; 10:31-34; 18:60-19:10). This is exactly what is being claimed in the storing step of claim 19 of the '992 patent and claims 2 and 5 of the '275 patent – the act of storing the compressed data for a plurality items accompanied by an identification code for each item. This is Acacia's proposed construction: "The stored information for each item is in a compressed data form and the stored information for each item is accompanied by an identification code."

Acacia does not "admit" that the claim "is broad enough to cover only one identification code," as the Round 3 defendants contend. Acacia stated that each item has an identification code and that the claim states that there is a plurality of items. The Round 3 defendants' written description argument is therefore without merit.

d) There is No Requirement That There be a "Single Set" of Ordered Data Blocks

The Round 3 defendants contend, without explanation, that there is only a single set of ordered data blocks, presumably for all of the information from all of the items combined. This is a frivolous argument which is not supported by the claim or by the specification. The claim does not state that there is a "set" of ordered data blocks; that is defendants' language. Further, the Round 3 defendants do not disagree that there can be more than one identification code and therefore there can be more than one "set" of ordered data blocks. (*See*, Round 3 Opposition (Part 1), at 14:1-2).

4. "Receiving System" ('992 Patent, Claims 19, 47; '275 Patent, Claims 2, 5)

a) The Term "Receiving System" is Not Indefinite

The Rounds 1 and 2 defendants contend that the claim term "receiving system" is indefinite. The Round 3 defendants do not contend that the term "receiving system" is indefinite and they propose a construction for "receiving system" in both the claims of the '992 patent and the '275 patent.

The term "receiving system" is not indefinite. As with any issued patent, the '992 and '275 patents are presumed valid and therefore defendants bear the burden of proving facts critical to a holding of indefiniteness by clear and convincing evidence. *Intel Corp. v. Via Techs., Inc.*, 319 F.3d 1357, 1366 (Fed. Cir. 2003). A claim term is indefinite only if those skilled in the art are unable to understand what is claimed when the claim is read in light of the specification." *Bancorp*, 359 F.3d at 1372 . If, in light of a fully developed record, the claim is amenable to construction, i.e., it is not insolubly ambiguous, it is not invalid for indefiniteness. *Bancorp*, 359 F.3d at 1372.

Here, the meaning of the term "receiving system" would easily be understood by persons of ordinary skill in the art when the claims of both the '992 patent and the '275 patent are read in light of the specification.

(1) The Term "Receiving System" is Definite in Claims 19-24 of the '992 Patent

The Rounds 1 and 2 defendants ignore the context of the claims. *See, Brookhill-Wilk 1, LLC v. Intuitive Surgical, Inc.*, 334 F.3d 1294, 1299 (Fed. Cir. 2003) ("While certain terms may be at the center of the claim construction debate, the context of the surrounding words of the claim also must be considered in determining the ordinary and customary meaning of those terms.")

The context in which a particular term is used in each claim is very important to the construction of that term. If a claim term is used differently in different claims, this fact means that that term may have different meaning in each of the claims. For example, in *Wilson Sporting Goods Co. v. Hillerich & Bradsby Co.*, 442 F.3d 1322, 2006 U.S. App. LEXIS 7169, *12-14, the claim term "gap" took on a *different* meaning in different claims, due to the different context in which the term appeared in each of the claims:

> The various claims in this patent, however, contain distinctions that cast doubt on the trial court's interpretation of "gap" and its conclusion that all of the disputed claims require a "single continuous space or void." For example, claim 1 features the gap in at least part of an annular shape; claim 15 makes the gap itself annular; claim 18 has no annular requirement. Under this court's case law, the same terms appearing in different claims in the same patent--e.g. "gap" in claims 1 and 15--should have the same meaning "unless it is clear from the specification and prosecution history that the terms have different meanings at different portions of the claims." [citations omitted]. In this case, the claims use the term "gap," but then modify it differently to suggest differences in the geometry of the "gap" in the various claims.
>
> Taking into account the term "annular," "gap" takes on a meaning different from the trial court's construction. Specifically, the modifiers to "gap," such as "annular," produce significant differences in the geometries in each defining claim. These modifiers inform the nature of the gap in each claim and define differently the cross-section of the claimed insert. *ACTV, Inc. v. Walt Disney Co.*, 346 F.3d 1082, 1088 (Fed. Cir. 2003) ("The context of the surrounding words of the claim also must be considered in determining the ordinary and customary meaning of those terms.").

In claim 19 of the '992 patent, the claim itself states that: (1) the receiving system is at the selected remote location, (2) information is transmitted from the transmission system to the receiving system, (3) the sent information is received by the receiving system, (4) a complete copy of the received information is stored in the receiving system at the selected remote location; and (5) the stored copy is played back using the receiving system. *See*, *Brookhill-Wilk*, 334 F.3d at 1299 ("At the outset, we note that although the disputed claim language is characterized by both the parties and the district court as 'remote location,' these words find context in the surrounding phrase 'remote location beyond a range of direct manual contact.'")

From this description in the claim alone, and the fact that the ordinary meaning of "system" (as previously adopted by the Court in Markman I) in the context of these patents is an assembly of elements, hardware and software, capable of functioning together to perform certain functions (*See*, Markman I, at 28:11-13 and 22-23), one of ordinary skill in the art would easily have understood the "receiving system" to be "an assembly of elements, hardware and software, capable of functioning together to receive information, store information, and play back information." This is Acacia's proposed construction for "receiving system."

The person of ordinary skill in the art's understanding of the meaning of "receiving system" would be confirmed by the specification. The specification identifies the device shown in Figure 6 as being "a preferred implementation of the receiving system of the present invention." ('992 patent, 3:39-40). The specification describes the device of Figure 6 as having all of the attributes of the "receiving system" of claim 19. ('992 patent, 17:67-18:45).

The Rounds 1 and 2 defendants contend that claim 23 of the '992 patent contradicts claim 19's description of "receiving system." (Comcast Opposition, at 5:26-6:5). It does not. Claim 23 adds an additional step to the second step of storing -- "the step of storing the received information at the head end of a cable television reception system." The Rounds 1 and 2 defendants contend that, because the second step of storing in claim 19 states that the complete copy of the received information is stored in the receiving system at the selected remote location, the additional step of storing added by claim 23 must also occur in the receiving system at the selected remote location. This is not at all what is claimed in claim 23. In claim 23, two storing steps occur: (1) the storing step of claim 19 wherein the complete copy of the received information is stored in the receiving system at the remote location; and (2) the storing step of claim 23 wherein the information is stored, in an unspecified storage device (claim 23 does not say that, in this additional step, the information

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is stored in the receiving system), at the head end of a cable television reception system. Claim 23 does not render the term "receiving system" indefinite.

The Rounds 1 and 2 defendants further contend that the storing step of claim 23 must occur *after* the storing step of claim 19, i.e., the information is stored first in the receiving system at the selected remote location (storing step of claim 19) and then is stored at the head end of a cable television reception system (the storing step of claim 23). While Acacia disagrees that this is the order that these steps occur, as discussed below in Section No. 15, even assuming that defendants' order for these steps is correct, it still is not correct that the receiving system is the device in which the received information is stored in the storing step of claim 23. Again, claim 23 does not specify a device in which the information is stored at the head end; however, it would be clear even under defendants' construction for the order of the steps of claim 23 that the information that is stored at the head end of the cable television reception system is *not* stored in the receiving system, because it is stored at the head end *after* it is stored in the receiving system.

The Rounds 1 and 2 defendants also contend that the receiving system in claim 19 must also be indefinite, because "the definition of a receiving system cannot exclude the receiving systems that are described in the dependent claims." There are no receiving systems described in the claims that are dependent from claim 19.

b) The Term "Receiving System" is Definite in Claim 47 of the '992 Patent

In claim 47 of the '992 patent, the claim itself states that: (1) the receiving system is at the selected remote location, (2) information is transmitted from the transmission system to the receiving system, (3) the receiving system has a receiving means for receiving the transmitted information, (4) the receiving system has a memory means for storing a complete copy of the received information, and (5) the receiving system has a playback means for playing back the stored copy of the received information.

The term "receiving system" in claim 47 therefore would be understood by one of ordinary skill in the art to also be "an assembly of elements, hardware and software, capable of functioning together to receive information, store information, and play back information."

The Rounds 1 and 2 defendants point to dependent claim 49 and its dependent claims 50-52. Dependent claim 49 places the additional limitation on the memory means that it includes a means for receiving information at the head end of a cable television reception system. Defendants contend that this means that the "receiving system" term is indefinite, because claim 47 would require that the memory means, which is in the receiving system, also have a means for receiving information at the head end of a cable television reception system. Claim 49 does not mention the "receiving system" and it cannot render the term "receiving system" in claim 47 indefinite, because the limitations of claim 49 are not present in claim 47.

c) The Terms "Receiving System" and "Reception System" are Definite in Claims 2 and 5 of the '275 Patent

The Rounds 1 and 2 defendants contend that, because the terms "receiving system" and "reception system" are used together in claims 2 and 5 of the '275 patent, they must each have a different meaning. The requirement that two terms in a claim have a different meaning is only an inference, and this inference may be overcome. *Bancorp*, 359 F.3d at 1373 (finding that two different terms had the same meaning: "That inference, however, is not conclusive; it is not unknown for different words to be used to express similar concepts, even though it may be poor drafting practice.")

Acacia has given these terms in claims 2 and 5 different meanings: (1) "reception system" is (consistent with the Court's construction for "reception system" in Markman I and consistent with the context of the claims) "an assembly of elements, hardware and software, capable of functioning together to receive information, store information, and play back information" and, from the context of the claims, the "reception system" is not required to be located at the selected remote location; and (2) the "receiving system" is "an assembly of elements, hardware and software, capable of functioning together to receive information," and, from the context of the claims, the receiving system is located at the selected remote location.

The Rounds 1 and 2 defendants contend that Acacia is switching the meaning of these terms between the '992 and '275 patents such that a receiving system in the '992 patent has the same meaning as the reception system in the '275 patent. Acacia is not violating any claim construction canon – it is following the canon (affirmed in *Phillips*) that the context in which a claim term is used is instructive to determining its meaning. *See, Phillips,* 415 F.3d at 1314; *Brookhill-Wilk*, 334 F.3d at 1299; *Wilson Sporting Goods*, 442 F.3d 1322, 2006 U.S. App. LEXIS 7169, *12-14.

d) The Specification Is Not Inconsistent

The Rounds 1 and 2 defendants contend that the terms "receiving system" and "reception system" are used inconsistently in the specification, thus further evidencing the indefiniteness of these terms in the patent claims. These terms are not used inconsistently in the specification – they are used to describe different embodiments of the invention. Patent specifications often describe more than one embodiment of the invention, and the inventor is permitted to have claims which claim fewer than all of the embodiments described in the specification. *See, e.g., SRI Int'l v. Matsushita Elec. Corp*., 775 F.2d 1107, 1121 (Fed. Cir. 1985) ("When claim construction is required, claims are construable, as above indicated, in light of the specification, [citation omitted], yet 'that claims are interpreted in light of the specification does not mean that everything expressed in the specification must be read into all the claims.' [citation omitted]. If everything in the specification were required to be read into the claims, or if structural claims were to be limited to devices operated precisely as a specification-described embodiment is operated, there would be no need for claims.")

Interestingly, in Markman I, the parties asked the Court to construe the claim term "reception system" in the claims of the '702 patent. In their brief, the adult entertainment Internet defendants did not contend that the specification was unclear as to the meaning of "reception system," as they now contend.[3] (Block Supp. Decl., Exhibit 7). Instead, they merely provided the Court with the ordinary meaning (from the *IEEE Dictionary*) for transmission system and, by looking at the context of the '702 patent claims, were able to ascertain that the "reception system" was merely the reciprocal of the transmission system. The Court agreed with defendants in Markman I. (Markman I, at 28:15-16).

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[3] The adult entertainment Internet defendants are part of the Round 1 and 2 defendants and have joined the Comcast opposition, which addresses the "receiving system" term.

Regardless of defendants' discussion of the specification, the specification supports the meaning of "receiving system" and "reception system" as they are used in the claims, as discussed in Acacia's opening brief and herein and this is all that is required.

e) The Round 3 Defendants Do Not Contend that the Term "Receiving System" is Indefinite

The Round 3 defendants state in their opposition that: "[w]e also indicate when a claim term cannot be construed, and is therefore indefinite." (Round 3 Defendants' Opposition (Part 1), at 2:11). The Round 3 defendants do *not* indicate in their opposition or in the Joint Claim Chart that the term "receiving system" is indefinite. Instead, they have offered two constructions for the term "receiving system," one for the claims of the '992 patent and one for the claims of the '275 patent.

In the '992 patent claims, the Round 3 defendants contend that the term "receiving system" has the following meaning:

> "Receiving system" in the '992 patent claims, for present purposes, should be construed to mean the same thing as "reception system,"[4] a term which the Court has already construed and about which TWC and CSC will be heard during the August 11, 2006 Markman hearing. For this reason, the construction of "receiving system(s)" in the '992 patent claims will be addressed on a schedule to be agreed upon for disclosure and briefing for the August 11 hearing.

(Joint Claim Chart, at 2, Term No. 4).

The Round 3 defendants even understood that the term "receiving system" would have a different meaning in different claims, because of the different *contexts* of each claim (which, as discussed above, the Rounds 1 and 2 defendants ignore):

> The construction of "receiving system" in the '275 patent claims is provided elsewhere in this chart, *in the context of the language of those claims*.

(Joint Claim Chart, at 2, Term No. 4; emphasis added).

In the '275 patent claims, the Round 3 defendants contend that the term "receiving system" has the following meaning:

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[4] It is worth noting that the Round 3 defendants have no problem interpreting the "receiving system" in the '992 patent claims to have the same meaning as "reception system" and the Round 3 defendants do not contend that either term is indefinite.

> The "receiving system" must be a device on which playback can occur - a device which itself can display video content or play audio content directly to a user, such as a television or a radio. (The "receiving system" cannot be a set top box.)

(Joint Claim Chart, at 18, Term No. 46).

In a footnote in their opposition, the Round 3 defendants state that "[b]ecause a construction is provided does not mean the Round 3 defendants believe a term or claim is indefinite" and state that the Round 3 defendants "will make separate invalidity motions during the time for filing such motions as directed by the Court." (Round 3 Defendants' Opposition (Part 1), at 2, n. 5). Indefiniteness is a question of claim construction and therefore the Round 3 defendants are obligated to raise these issues now during claim construction, or waive them. *See, Personalized Media Communs., L.L.C. v. ITC*, 161 F.3d 696, 705 (Fed. Cir. 1998) ("A determination of claim indefiniteness is a legal conclusion that is drawn from the court's performance of its duty as the construer of patent claims.") The Round 3 defendants cannot have it both ways; they cannot contend that the term "receiving system" should be given a construction in these Markman briefs (and is therefore definite) only to later contend after claim construction is completed, that the term is indefinite, without ever providing notice to Acacia or the Court that this is the Round 3 defendants' position.

5. Items Containing (or Having) Information ('992 Patent, Claims 19, 41, 47; '275 Patent, Claims 2, 5)

a) The Court Should Not Limit the Meaning of "Items Containing (or Having) Information" to Physical Objects

Defendants' proposed construction for the term "items containing (or having) information" is incorrect, because it improperly excludes non-physical items, such as computer files, from the meaning of the term. Neither the claims nor the specification exclude non-physical items from the items that are stored in the source material library (claim 41 of the '992 patent) or from the items from which information is stored (claims 19 and 47 of the '992 patent and claims 2 and 5 of the '275 patent). The construction of "items containing (or having) information" therefore should likewise not exclude non-physical items.

Defendants' arguments seeking to limit the meaning of "items containing (or having) information" to only physical objects are misleading. For instance, when quoting the so-called "relevant" portion of the specification, the Rounds 1 and 2 defendants *delete* the following sentence from their quote of the specification: (EchoStar Opposition, at 22:13-24, purporting to quote '992 patent, 5:66-6:22).

> The items of information may include analog and digital audio and video information as well as physical objects such as books and records, which require conversion to a compatible media type before converting, compressing and storing their audio and video data in the compressed data library means.

('992 patent, 6:2-7).

This sentence unequivocally demonstrates that the patent specification discloses that both physical and non-physical objects, i.e., "things," are stored in the source material library. When describing the items in the source material library, this sentence states that "items of information" are either: (1) non-physical items, such as analog or digital audio and video information; or (2) physical objects, such as books and records. This sentence therefore makes clear that it is describing both non-physical and physical items when it states ". . . as well as physical objects . . ."

Defendants later attempt to argue that this phrase does not disclose that the items may be non-physical items, by contending that this sentence uses the phrase "items *of* information" instead of the phrase "items *having* information," and that this fact means that this sentence is only really referring to the information, not to the items. (EchoStar Opposition, at 23:17-23). Defendants ignore the portion of the sentence which states that the "items of information" may include "physical objects such as books and records." In other words, the specification was in fact using the term "items of information" to refer to the *items* themselves, not merely to the information apart from the items.

The Rounds 1 and 2 defendants further contend that the specification "makes clear" that the source material library is not a computer file server, but rather is a "library in the everyday physical sense of a physical place where media and other physical objects of many different types – not disembodied 'information' – are kept." (EchoStar Opposition, at 23, n. 11). Defendants ignore the Court's construction of "source material library" from Markman I: "the Court construes the phrase 'storing items having information in a source material library' to mean 'adding items having information to a collection of existing materials.'" (Markman I, at 25:16-18).

Further, the specification says nothing of the sort. The specification states that the source material library may include "computer disks." ('992 patent, 6:13 - 22). A computer file server is nothing more than computer disks (hard disk drives) with associated software. Regardless, nothing in the specification limits the source material library to only the materials listed; the specification states that the "source material library 111 *may* include different types of materials. . ." ('992 patent, 6:10-11). *See, Phillips*, 415 F.3d at 1323 ("[A]lthough the specification often describes very specific embodiments of the invention, we have repeatedly warned against confining the claims to those embodiments."), *quoting*, *Nazomi Communications, Inc. v. ARM Holdings, PLC*, 403 F.3d 1364, 1369 (Fed. Cir. 2005) (claims may embrace "different subject matter than is illustrated in the specific embodiments in the specification.").

The Rounds 1 and 2 defendants also contend that, by including files in the meaning of "item," Acacia is violating the rule that different words used in the same claim have different meaning. (EchoStar Opposition, at 24, n. 12). Acacia is not construing "item" and "file" to have the same meaning in claim 41; Acacia is construing "item" as a "thing" and construing "file" in the phrase "storing, as a file," as a "file." "Item" is broader than "file."

The correct construction for the term "items containing (or having) information" is "things containing information," which does not exclude non-physical items. In the context of the Court's construction for "items containing information," the construction is "things containing information in analog or digital form."[5]

6. "Time Requested by the User" ('992 Patent, Claims 19, 47; '275 Patent, Claims 2, 5)

a) The "Time Requested by the User" Does Not Require a Request to the Transmission System

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[5] The Round 3 defendants point out an error in Acacia's brief. (See, Round 3 Defendants' Opposition (Part 1), at 11, n. 15 referring to Acacia Brief at 20). This portion was erroneously included in Acacia's brief.

In the context of claims 19 and 47 of the ‘992 patent and claims 2 and 5 of the ‘275 patent, the phrase “at a time requested by the user” means that there is a time, after a complete copy of the transmitted information has been received and stored in the receiving system, when the user requests that the receiving system play back the received information. This meaning is consistent with the embodiment in the specification of the ‘992 patent at 18:14-26 and 19:30-36.

The Rounds 1 and 2 defendants contend that the request must be made to the transmission system “because there is nothing disclosed in the specification or the claims to which such a request could be directed other then the transmission system.” (Comcast Opposition, at 12:13-16). Claim 19 of the ‘992 patent itself states that playback occurs “using the receiving system. . . at a time requested by the user.” The request is therefore made to the receiving system. The specification further discloses that the receiving system (shown in Figure 6), includes a “viewer control interface,” and therefore a user request for playback can be made to the receiving system via this interface. Indeed, this is where the request would logically go, because the entire copy of the received information for which the user is requesting playback is stored in storage 203 of the receiving system when playback is requested.

The Rounds 1 and 2 defendants further contend that Acacia fails to give the word “request” any real meaning, because “pushing ‘play’ is not the same thing as making a request.” (Comcast Opposition, at 12:19-22). Acacia’s proposed construction uses the word “request,” so Acacia is giving the word “request” real meaning. Besides, pushing “play” is the same as making a request. When a user pushes “play,” they are requesting that their device perform the play function. The specification supports this fact when it states that: “*When playback is requested*, the compressed formatted data blocks [data blocks that were received] are sent to data formatter 204.” (‘992 patent, 18:22-23).

The Round 3 defendants contend, without support, that the plain language of the claim means that the user specifies, *in advance*, the time when the information is to be played. (Round 3 Defendants’ Opposition (Part 1), at 24:20-23). The claim does not say that the request is made in advance.

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The Round 3 defendants contend that the claims "couple the limitation 'selected remote location' with the requirement that the user select a time when the request for information is made." (Round 3 Defendants' Opposition (Part 1), at 25:1-6). This argument has no basis in the language of the claims and is based entirely on the Round 3 defendants' contention (not shared by the Rounds 1 and 2 defendants) that the user must make their request from a location that is different than the location where the information is transmitted. According to the Round 3 defendants, therefore, the requested time for playback must be different than actual the time for playback, because the user has to travel from their requesting location to the receiving location. This makes no sense, because it assumes, without any support, that the person making the request will also be the person viewing the information. So, a user in one location could never request information that would be watched by other persons.

The Round 3 defendants further contend that the embodiment in the specification relied on by Acacia teaches that the time must have been included in the request. (Round 3 Defendants' Opposition (Part 1), at 25:26-26:15; citing, '992 patent, 18:14-21). The specification, however, actually supports Acacia's contention that the time requested by the user need not be sent with the request for transmission of the information, but occurs later: "In the reception system 200 of the present invention, the user may want to play back the requested item from the source material library 111 at *a time later than when initially requested. . . . When play back is requested*, the compressed formatted data blocks are sent to data formatter 204." ('992 patent, 18:14-17; 22-23).

Further, the specification makes clear that including a viewing time in the request for transmission is merely an *option*: "The request contains the address of the user, the address of the item, and *optionally* includes specific frame numbers, and a desired viewing time of the item." ('992 patent, 12:24-27; emphasis added). Both groups of defendants' sole reliance on this embodiment of the specification to *limit* the scope of the claims is therefore improper, as defendants are attempting to import a limitation from the specification into the claims where no such limitation exists. *See, Comark Communs. v. Harris Corp.*, 156 F.3d 1182, 1186 (Fed. Cir. 1998), *quoting*, *Sjolund v. Musland*, 847 F.2d 1573, 1581 (Fed. Cir. 1998) ("while. . . claims are to be interpreted in light of the specification and with a view to ascertaining the invention, it does not follow that limitations from the specification must be read into the claims"); *Texas Instruments, Inc. v. United States International Trade Com.*, 805 F.2d 1558, 1563 (Fed. Cir. 1986) ("This court has cautioned against limiting the claimed invention to preferred embodiments or specific examples in the specification.")

In other words, the request for playback in claims 19 and 47 of the '992 patent and claims 2 and 5 of the '275 patent is a new request that is distinct from the user's initial request for the information. This is exactly what the claims state – they do not require that the user include a time for playback in the initial request to the transmission system seeking transmission of the information, but they do require a different request by the user to play back the information after a complete copy of it has been received and stored in the receiving system.

7. "User" ('992 Patent, Claim 19, 47; '275 Patent, Claims 2, 5)

a) The Term "User" Is Not Limited to Subscribers and Customers Only

In the context of claims 19 and 47 of the '992 patent and claims 2 and 5 of the '275 patent, the claim term "user" refers to the person who: (1) selected a remote location to which the information will be transmitted; (2) makes a request to the transmission system for the transmission of information; and (3) makes a request for the play back of the information following receipt and storage of the complete copy of the information by the receiving system. Acacia proposes that the term "user" be construed to mean "one that uses."

The Round 3 defendants contend that the term "user" should mean "a human." (Round 3 Defendants' Opposition (Part 1), at 57:8-21). Acacia does not disagree with the Round 3 defendants' construction for "user."

The Rounds 1 and 2 defendants criticize Acacia for referring to the dictionary definition of "user" in their brief and contend that Acacia is violating the procedures approved by the Federal Circuit in the *Phillips* case. (Comcast Opposition, at 13:17-25). Acacia referred to the dictionary definition in connection with the specification, demonstrating that the specification supported and did not place any limitations on the meaning of "user" differently than that term is defined in the dictionary. (*See,* Acacia's Opening Brief at 23:10-24:15). Acacia's approach is proper under

Phillips and Acacia's approach was most recently affirmed by the Federal Circuit in *Old Town Canoe*, __ F.3d at ___, 2006 U.S. App. LEXIS 11435, at * 15:

> In construing the claim terms in this case, the district court began its analysis by referring to dictionary definitions presented by the parties. The district court's reference to the dictionary was not an improper attempt to find meaning in the abstract divorced from the context of the intrinsic record but properly was a starting point in its analysis, which was centered around the intrinsic record consistent with *Phillips*.

The Rounds 1 and 2 defendants contend that the specification's use of the words "customer" and "subscriber" in the specification in the vicinity of the term "user" means that the patentees intended the term "user" to be interchangeable with "subscriber" or "customer." Defendants do not contend, nor could they contend, that, in the specification, the patentees demonstrated a clear intent to disavow claim scope to exclude any user who is not a subscriber or customer. *See, Teleflex*, 299 F.3d at 1327 ("The written description may, however, restrict the scope of the claims if 'the patentee demonstrated an intent to deviate from the ordinary and accustomed meaning of a claim term by redefining the term or by characterizing the invention in the intrinsic record using words or expressions of manifest exclusion or restriction, representing a clear disavowal of claim scope.'") The Court therefore cannot limit the term "user" to subscribers and customers, while excluding persons who are not subscribers or customers, but who are nevertheless users. *Specialty Composites v. Cabot Corp.*, 845 F.2d 981, 987 (Fed. Cir. 1988) ("Where a specification does not require a limitation, that limitation should not be read from the specification into the claims."); *See also, Comark*, 156 F.3d at 1187 (cautioning against reading limitations from the specification into the claims.)

The Rounds 1 and 2 defendants further contend that Acacia's construction is improper, because a system operator may qualify as a user. (Comcast Opposition, at 14:1-8). The specification describes "users" and "system operators." System operators are described in the patent specification as performing certain tasks associated with the preparation of the information for transmission. For instance, system operators may: (1) index songs; (2) assign unique address codes; (3) run the storage encoding process; and (4) input program notes. ('992 patent, 8:32-45; 10:58-61; 11:9-17; and 12:58-61). As understood from the specification, a system operator, doing nothing more than what is described in the specification for system operators, is not a user, because, among other things, they do not request information.

Regardless, any person, whether they are a system operator or not, who performs all of the steps of the claims and performs all of the acts listed above for a user, is a "user" as that term is used in the claims and in the patent specification, and their use of the claimed method or system should be an infringement. An accused infringer should not be able to avoid their infringement merely because the user of the system also happens to be a "system operator."

The Rounds 1 and 2 defendants' proposed construction is improper for another reason. It would exclude a person who is neither a system operator, a "subscriber," nor a "customer" from the meaning of "user." Nothing in the specification limits the meaning of "user" to exclude these people and the Court should likewise not limit the meaning of "user" to exclude these people.

8. "To One of the Receiving Systems at One of the Remote Locations Selected by the User" and "the Receiving System at the Selected Remote Location"; "The Receiving System at One of the Remote Locations Selected by the User"; and "the Receiving System at the Selected Remote Location" ('992 Patent, Claims 19, 47)

a) Acacia Agrees to the Rounds 1 and 2 Defendants' Proposed Construction (Except for Removing the Word "Premises")

Upon further consideration the Rounds 1 and 2 defendants' proposed construction for "selected remote locations," Acacia will agree to the Rounds 1 and 2 defendants' proposed construction, with the word "premises" removed and replaced with the phrase "site or position," which is the ordinary meaning for location, as the Court previously found (*See,* Section No. 3, *supra*). Acacia has further added language to make clear that the selected remote location is remote, i.e., "distant in space," from the transmission system:

> The "remote location selected by the user" and the "selected remote location" are "a site or position distant in space from the transmission system that the user specifies in the request, where one of the available options is a site or position that is different from the site or position where the user makes the request."

b) The Round 3 Defendants' Proposed Construction Requiring that the Selected Remote Location Can Only Be a Location Different than the Location Where the User is Making Their Request Improperly Imports a Limitation from the Specification

Although the Round 3 defendants concede that "selected remote location" means "the user chooses the premises, from among a plurality of (two or more) premises, to which the information will be sent," (Round 3 Defendants' Opposition (Part 1), at 17:10-12) the Round 3 defendants propose a construction that includes the limitation that the "premises" chosen by the user must be different from the "premises" at which the user makes the request. This construction would improperly import limitations from one of several embodiments described in the specification into the claim.

In its opening brief, Acacia specified several portions of the specification of the '992 patent, including Figure 6, that show a user requesting information be sent to the location at which that user is situated when making the request. *See, e.g.*, '992 Patent 5:10-21, 12:20-27, 14:29-33, 14:64-15:2, 15:3-22. Yet, the Round 3 Defendants ignore the specification and propose a construction of "selected remote location" and "remote location selected by the user" that is inconsistent with the specification – that the user cannot be at the requested location. *Phillips*, 415 F.3d at 1314-16 ("Thus claims must be construed so as to be consistent with the specification, of which they are a part.") Further, although there are embodiments described in the specification in which the user makes the request at a different location than that to which the information is sent, the Court cannot read this limitation from the specification into the claims. *Phillips*, 415 F.3d at 1323 ("[A]lthough the specification often describes very specific embodiments of the invention, we have repeatedly warned against confining the claims to those embodiments.")

The Round 3 defendants seem to rely on the prosecution history to justify their construction that is inconsistent with the specification. But the prosecution history does not support their construction either. Nothing in the prosecution history, including the passages quoted by the Round 3 defendants, constitutes a clear and unambiguous disavowal of claim scope to support limiting claims 19 and 47 to methods and systems that only allow a user to request information be sent to a location different than where he or she is situated. *Phillips*, 415 F.3d at 1317 ("Yet because the prosecution history represents an ongoing negotiation between the PTO and the applicant, rather than the final product of that negotiation, it often lacks the clarity of the specification and thus is less useful for claim construction purposes."); *Cordis*, 339 F.3d at 1358 (a disclaimer of scope in the prosecution history requires "clear and unmistakable statements of disavowal")[6]. Rather, the patentees distinguished the prior art on many grounds; they never relied on a construction of "selected" that precludes sending information to the location at which a request was made, to gain allowance of claims 19 and 47. *See, e.g.*, Amendment, Benyacar Decl. Ex. E, p. 23 ("Fenwick et al., *also* does not disclose a system in which a user can select a remote location to which a selected item is sent") (emphasis added).[7]

The Round 3 defendants further contend that Acacia is trying to cover prior art with its construction for "selected remote locations," by referencing Acacia's infringement contentions. (Round 3 Defendants' Opposition (Part 1), at 23:8-24:7). Not only is it improper for the defendants to raise Acacia's infringement contentions (the Court specifically did not want to address the accused devices and none of the other parties, including Acacia, have previously addressed the accused devices or introduced Acacia's infringement contentions), Acacia specifically stated in its infringement contentions that it has not had the opportunity to take *any* discovery of defendants and therefore it reserved the right to amend its infringement contentions following discovery. Further, Acacia does not state or imply any specific claim construction contentions in its infringement contentions.

9. "Sending at Least a Portion of the Stored Information From the Transmission System" ('992 Patent, Claims 19; '275 Patent, Claims 2, 5)

a) The Court Should Not Add the Limitations of Retrieving Information from a Storage Device

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[6] *Also see Aquatex Indus. v. Techniche Solutions*, 419 F.3d 1374, 1381 (Fed. Cir. 2005) (because other arguments and amendments were made to distinguish prior art, "representations made during prosecution … are not a clear disavowal of claim scope"); *Northern Telecom Ltd. v. Samsung Elecs. Co.*, 215 F.3d 1281, 1293-95 (Fed. Cir. 2000).

[7] Rather, Fenwick et al. disclosed a single monitor in a hotel room with a dedicated cable. The billing information for any request depended on the location of the request, and a hotel guest had no choice of where to make a request or where to receive the requested information.

The parties appear to be in agreement on the construction of this phrase, except with respect to additional limiting language, which both groups of defendants seek to add. Both groups of defendants seek to add the limitation that the stored information that is sent was retrieved from the device on which it was stored. Acacia objects to the inclusion of this language, because it is an extraneous limitation that is not contained in the claim.

Only the Round 3 defendants address this issue. The Round 3 defendants contend that, because this step of sending the information immediately follows the step of sending a request, the information being sent must have been retrieved in response to the request and sent. (Round 3 Defendants' Opposition (Part 1), at 28:2-4). In a similar vein, the Round 3 defendants further contend that the Court should include in its construction another limitation that the stored information must have been retrieved from the storage device on which it was stored. (Round 3 Defendants' Opposition (Part 1), at 28:5-11).

The claims do not include a step of retrieving and do not include the requirement that the information be retrieved from the storage device on which it was stored. The Court should not add this step or limitation to the claims that it does not need to interpret this phrase. *Hoganas AB v.* at 950 ("It is improper for a court to add 'extraneous' limitations to a claim, that is, limitations added 'wholly apart from any need to interpret what the patentee meant by particular words or phrases in the claim."); *Northern Telecom* at 1290 (Fed. Cir. 2000) ("This court has repeatedly and clearly held that it will not read unstated limitations into claim language.")

Acacia's proposed interpretation is correct because it is consistent with and follows the language of the claims.

10. The Order of the Steps of Claim 19 ('992 Patent, Claims 19)

a) Claim 19 Does Not Include the Steps of Ordering and Compressing

The parties are in substantial agreement as to the order of the steps of claim 19, except with respect to the first "storing" step of claim 19. As discussed above in Section No. 3, the parties dispute whether the "storing" step includes the additional steps of placing into ordered data blocks and compressing. Acacia contends that these are not steps of the claim, but instead describe the information that is stored. Defendants contend that these are additional steps which must be performed to practice claim 19. Acacia's contentions are set forth in Section No. 3, above.

III. CLAIM 20 OF THE '992 PATENT

11. "Wherein the Information in the Items Includes Analog and Digital Signals" and "Ordering the Converted Analog Signals and the Formatted Digital Signals Into a Sequence of Addressable Data Blocks." ('992 Patent, Claim 20)

a) The Court Already Construed the Term "Addressable" When it Construed the Phrase "Sequence of Addressable Data Blocks"

Acacia proposed a construction for the phrase "ordering the converted analog signals and the formatted digital signals into a sequence of addressable data blocks" as meaning "the act of time encoding converted analog signals and formatted digital signals to create time encoded data blocks." In proposing such a construction, Acacia relied on the Court's construction for the phrase "sequence of addressable data blocks," which the Court construed in Markman I to mean "time encoded data blocks." (July 12, 2004 Markman Order, at 22:16-21 and 23:3-6). Both groups of defendants acknowledge that the Court has construed this phrase and acknowledge that this is the construction provided by the Court. (*See*, EchoStar Opposition, at 26, n. 13; Round 3 Defendants' Opposition, at 30, n. 33). Although the Rounds 1 and 2 defendants had the opportunity to seek reconsideration of the Court's construction of the phrase "sequence of addressable data blocks," no defendant sought reconsideration of that phrase. The Rounds 1 and 2 defendants should therefore not be permitted to now seek a different construction for the phrase "sequence of addressable data blocks," or any term contained in that phrase.

The Rounds 1 and 2 defendants attempt to justify their ability to seek a construction of the term "addressable" by contending that "addressable" is a new term that requires separate construction. (EchoStar Opposition, at 26, n. 13). "Addressable" is not a new term; it has always been present in the phrase "sequence of addressable data blocks." In fact, in Markman I, the adult entertainment Internet defendants sought to obtain a construction for the term "addressable," consistent with the construction that the Rounds 1 and 2 defendants are seeking now:[8]

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[8] The adult entertainment Internet defendants are part of the Rounds 1 and 2 defendants and they have joined the EchoStar Opposition.

> This claim term [sequence of addressable data blocks] is made up of the following constituent words and phrases: "sequence," "addressable," and "data blocks." . . . The term "addressable" modifies the term "data blocks," and in the context of claims 1 and 41 means that the data blocks may be given an address to identify them amongst other blocks containing information retrieved from a single item. (Ex. R at 549) (defining "address" as "an identification as represented by a name, label, or number, for a register, location in storage, or any other data source or destination such as the location of a station in a communication network" or "a means of identifying information or a location in a control system.")

(Adult Entertainment Internet Defendants Claim Construction Brief, January 8, 2004, at 38:20-21; 38:23-39:1; Block Supp. Decl., Exhibit 8).

The Court rejected the adult entertainment Internet defendants' contentions, and construed the phrase "sequence of addressable data blocks" to mean "time encoded data blocks."

Although Acacia does *not* propose a separate construction for the term "addressable" (*See,* Joint Claim Construction Chart, at 4-5, No. 11), the Rounds 1 and 2 defendants contend that Acacia is proposing such a construction. The Rounds 1 and 2 defendants then proceed to attack Acacia's purported proposed construction as a means for justifying its construction for "addressable." In other words, defendants create a "straw man" construction and proceed to knock down that construction. Meanwhile, the Rounds 1 and 2 defendants do not, and cannot, contend that the Court's construction for "sequence of addressable data blocks" is incorrect.

Further, the Rounds 1 and 2 defendants are wrong to seek a construction for the term "addressable" separate from the phrase "sequence of addressable data blocks." As discussed in more detail above in Section No. 4, defendants cannot ignore the context of the use of a term in the claim. *See, Wilson Sporting Goods,* 442 F.3d 1322, 2006 U.S. App. LEXIS 7169, *12-14; *Brookhill-Wilk,* 334 F.3d at 1299. Here, the term "addressable" is *only* used in the claims in connection with the phrase "sequence of addressable data blocks." Therefore, the context in which the term "addressable" is used in the claims demonstrates that the term "addressable" is *not* being given its ordinary and customary meaning. The Court has already recognized this fact when it rejected the adult entertainment Internet defendants' attempt in Markman I to separate the "sequence of addressable data blocks" phrase into its constituent terms and define each term separately.

When the entire phrase "sequence of addressable data blocks" is considered, the specification makes clear that this phrase means "time encoded data blocks," thereby making clear that "addressable" refers to time encoding, which, as disclosed in the specification is an addressing scheme: "[t]he preferred *addressing* scheme employs time encoding" and "[t]ime encoding by time encoder 114 makes items and subsets of items retrievable and addressable throughout the system." ('992 patent, 8:1-2; 8:50-52). As discussed in detail in Acacia's opening brief, the term "addressable" in the phrase "sequence of addressable data blocks" is not used to refer to a storage location. (Acacia Brief, at 34:14-36:5).

b) Claims 20, 41, and 48 Already Include the "Identification Code" and the "Unique Identification Code" and the Specification Makes Clear that the File Stored in the Compressed Data Library is Addressable Using these Codes

The Rounds 1 and 2 defendants main contention in support of its construction for addressable is that, in claim 41, there must be a known association between a data block and its storage location, so that the file (or portion of the file) that is sent may be located and retrieved from its storage location. (*See*, EchoStar Opposition, at 27:12-29:15: "Thus, addressability is necessary to retrieve data blocks from the stored file"). Again, the Rounds 1 and 2 defendants are ignoring the context of the claim. In claim 41, the sequence of addressable data blocks is created well *before* the data blocks are ever placed in a file and stored in the storage location. Further, once created, the sequence of addressable data blocks must still undergo compression and must still be placed into a file. The file, which contains the sequenced data blocks, is then stored. "Addressability" in the phrase "sequence of addressable data blocks" therefore does not refer to a known association between each data block and its storage location.

Claims 20, 41, and 48 each use the phrase "sequence of addressable data blocks" and each already provides a way for the data blocks to be located and retrieved from where they are stored. Claims 20 and 48 require that identification codes be stored. Claim 41 requires that the file be stored with the assigned unique identification code. As described in the specification, these identification codes are used to address the file within the storage device:

> The transmission system 100 may further comprise compressed data storing means, coupled to the compression means, for storing as a file the compressed

> sequenced data with the unique identification code received from the data compression means . . . *The file is addressable through the unique identification code assigned to the data by the identification encoder*.

(‘992 patent, 10:18-30; emphasis added).

In addition, the specification describes addresses, *other than the "sequence of addressable data blocks,"* which may be used to locate and retrieve the file in the compressed data library; the specification does not describe the "sequence of addressable data blocks" as performing this function:

> Stored items are preferably accessed in compressed data library 118 through a unique address code. The unique address code is a file address for uniquely identifying the compressed data items stored in the compressed data library section of a library system. *This file address, combined with the frame number, and the library system address allow for complete addressability of all items stored in one or more compressed data libraries 118*. Compressed data library addresses along with receiving system addresses are used to form a completely unique address for distribution system control.

(‘992 patent, 10:46-57)

c) The "Sequence of Addressable Data Blocks" is Not Limited to Only One Sequence for All of the Information

The Round 3 defendants contend that they are not obligated to address the construction of the phrase "sequence of addressable data blocks" at this time, because this is a term that the Court has already construed and it will address it in connection with the August 11, 2006 hearing. Nevertheless, the Round 3 defendants contend that there is only a single sequence of addressable data blocks in claim 20 of the ‘992 patent. (Round 3 Defendants' Opposition (Part 1), at 30:3-13). The phrases at issue are "*a* sequence of addressable data blocks" and "compressing *the* ordered information" and the claims use the transitional phrase "comprising." Therefore, the terms "a" and "the" are presumed to mean "one or more." *Free Motion Fitness, Inc. v. Cybex Int'l, Inc.*, 423 F.3d 1343, 1350-1351 (Fed. Cir. 2005); *CollegeNet, Inc. v. ApplyYourself, Inc.*, 418 F.3d 1225, 1232 (Fed. Cir. 2005); *KCJ Corp. v. Kinetic Concepts, Inc.*, 223 F.3d 1351, 1357 (Fed. Cir. 2000); *Scanner Technologies Corp. v. ICOS Vision Systems Corp. N.V.*, 365 F.3d 1299, 1304-05 (Fed. Cir. 2004). Here, nothing in the claims precludes construing these terms as "one or more," because the claims state that there is a plurality of items. Further, the specification makes clear that the patentees did not intend to limit the invention to a single sequence of addressable data blocks for all of the items. (*See,* ‘992 patent, 6:35-39; 10:17-22; 10:31-34; 18:60-19:10). The Round 3 defendants contend that the claim language “makes clear that ‘ordered data blocks’ is part of a singular grouping of information referred to in the claims as ‘the information’ and ‘the stored information.’” Again, these claims refer to a plurality of items and use the term “comprising,” meaning that the term “the” should be construed as “one or more.” *Free Motion*, 423 F.3d at 1350-51 (“Like the words ‘a’ and ‘an,’ the word ‘the’ is afforded the same presumptive meaning of ‘one or more’ when used with the transitional phrase ‘comprising.’”)

12. The Order of the Steps of Claim 20 (‘992 Patent, Claim 20)

a) There is No Limitation that Each Step of Claim 20 Must Only Begin After the Prior Step Has Been Completed for All of the Information

The parties’ only dispute with respect to the order of the steps of claim 20, as demonstrated by the parties’ positions set forth in the Joint Claim Chart, is whether any step of claim 20 begins and occurs only after a prior step or steps have been completed. Acacia contends that there is no limitation that any step of claim 20 begins and occurs only after a prior step or steps have been completed.

The parties have the same dispute with respect to other claims, including claim 41. Accordingly, Acacia addresses this issue in connection with claim 41 in Section No. 22, although the arguments are the same for claim 20.

IV. CLAIM 21 OF THE ‘992 PATENT

13. The Order of the Steps of Claim 21 (‘992 Patent, Claim 21)

a) The Substep of Claim 21 May Be Performed Before, After, or Simultaneously With the First Storing Step of Claim 19

Acacia contends that the step of claim 21 – storing the items in a plurality of compressed audio and video libraries in the transmission system – may be performed before, after, or simultaneously with the first storing step of claim 19.

The Rounds 1 and 2 defendants contend that the step of claim must be performed simultaneously with the first storing step of claim 19, because claim 21 says that the first storing step of claim 21 “includes” the step of claim 21 and the term “includes” is construed so as to require that the events of claim 21 and the first storing step of claim 19 “happen as part of a single event.” (Comcast Opposition, at 19:25-20:16). This is not true, because claim 21 refers to its step as a “substep” of the first step of storing in claim 19. There is no limitation in either claim 19 or 21 that the *substep* of claim 21 must *only* occur simultaneously with the first storing step of claim 19.

The Round 3 defendants take a different approach. They contend that, because claim 21 refers to compressed audio and video, the step of claim 21 must be performed after the first step of storing in claim 19. (Round 3 Defendants’ Opposition (Par 1), at 39:19-40:2). The Round 3 defendants base their construction on their argument that the first step of storing in claim 19 actually includes the steps of placing the information into ordered data blocks and compressing the data blocks in addition to storing the compressed, ordered data blocks. This is not the case, as demonstrated by Acacia in Section No. 3, above. The first storing step of claim 19 involves the single step of storing information that has already been placed into ordered data blocks and compressed. Therefore, both the storing step of claim 19 and the storing step of claim 21 involve only storing already compressed information.

There is no limitation therefore that the step of claim 21 occur only after the first storing step of claim 19.

V. CLAIM 23 OF THE ‘992 PATENT

14. “The Step of Storing Includes the Step of Storing the Received Information at the Head End of a Cable Television Reception System” (‘992 Patent, Claim 23)

a) The Information Is Stored in an Unnamed Device at the Head End Before It is Stored in the Receiving System at the Selected Remote Location

Although the parties agree that claim 23 refers to the second step of storing in claim 19, the parties dispute the order in which the step of claim 23 occurs. The Rounds 1 and 2 defendants contend that the step of claim 23 – storing the received information at the head end of a cable television reception system – must occur after the information is first received by the receiving system at the selected remote location. The Rounds 1 and 2 defendants contend that the information is stored at the head end *after* it is received and stored by the receiving system, based on the fact that claim 23 refers to the “received information.” This, however, is contrary to the specification, in which the same information that is received at the receiving system is first received and stored at the head end. (‘992 patent, 4:37-44; 5:22-33).

The Round 3 defendants contend that the head end of the cable television reception system is at the selected remote location. This does not follow from the claims. Claim 19 specifies a location – the information is received at the receiving system at the selected remote location. Claim 23 specifies a different location – at the head end of the cable television reception system. Thus, taking claim 23 together with claim 19, there are two locations, not one. The Rounds 1 and 2 defendants agree with Acacia that there are two storing steps in claim 23 and that they are performed at different locations.

15. The Order of the Steps of Claim 23 (‘992 Patent, Claim 23)

Acacia’s arguments regarding the order of the steps of claim 23 are set forth immediately above in Section No. 14.

VI. CLAIM 24 OF THE ‘992 PATENT

16. “The Step of Storing Includes the Step of Storing the Received Information in an Intermediate Storage Device” (‘992 Patent, Claim 24)

a) The Information Is Stored in the Intermediate Storage Device Before It is Stored in the Receiving System at the Selected Remote Location

Although the parties agree that claim 24 refers to the second step of storing in claim 19, the parties dispute the order in which the step of claim 24 occurs and dispute the meaning of “intermediate storage device.” Acacia and the Rounds 1 and 2 defendants agree that the intermediate storage device is a storage device that is between the transmission system and the receiving system. The Round 3 defendants contend that an intermediate storage device is a storage device at a location other than where the user experiences play back, although it need not be at a cable head end.

As they did with respect to claim 23, the Rounds 1 and 2 defendants contend that the step of claim 24 must occur after the information is first received by the receiving system at the selected remote location. Again, this is contrary to the specification, in which the same information that is received at the receiving system is first received and stored in the intermediate storage device. ('992 patent, 4:37-44; 5:22-33).

The Round 3 defendants contend that Acacia's construction of claim 24 requires that the intermediate storage device itself be in the receiving system. This is not the case. Claim 24 adds another step – the step of storing in the intermediate storage device. This does not mean that the intermediate storage device is in the receiving system.

17. The Order of the Steps of Claim 24 ('992 Patent, claim 24)

Acacia's arguments regarding the order of the steps of claim 24 are set forth above in Section Nos. 14 and 16.

VII. CLAIM 41 OF THE '992 PATENT

18. "A Method of Transmitting Information to Remote Locations, the Transmission Method Comprising the Steps, Performed by a Transmission System, of" and "Comprises the Steps, Performed By a Transmission System" ('992 Patent, Claims 20, 41)

a) The Preamble of Claim 41 is Not a Separate Limitation

For the same reasons noted above that the preamble of claim 19 is not a separate limitation, the preamble of claim 41 is also not a separate claim limitation. Just as the Round 3 Defendants argue with regard to claim 19, the Rounds 1 and 2 Defendants contend that the preamble of claim 41 is properly a separate limitation because 1) the preamble was relied upon during prosecution; and 2) the "transmission system" was represented to be significant in the Petition to Make Special. But both of these arguments fail because they are each factually incorrect.

(1) The Preamble Of Claim 41 Was Not Relied Upon To Distinguish Prior Art During Prosecution.

Despite the Rounds 1 and 2 Defendants' conjecture that the preamble of claim 19 was relied upon to distinguish prior art during prosecution of the '992 patent, their conjecture is not supported by any evidence. While the preamble was amended, it was not amended to overcome prior art; rather, it was amended to clarify the claim after an examiner interview. The changes made to the bodies of the claims were intended to overcome the prior art references, while the changes to the preamble were intended to clarify the preamble. This point is clear from a complete examination of the amendment.[9] The addition of the phrase "performed by a transmission system" in the preamble of claim 41, specifically, was to clarify that the locations to which information is being transmitted are remote from the transmission system. In other words, the "transmission system" is a point of reference for the "remote locations" in the body of the claim.

(2) The Patentees Did Not Underscore as Important the Existence Of A Transmission System in the Petition to Make Special, or Anywhere Else.

The Rounds 1 and 2 Defendants argue that the preamble of claim 41 is a separate claim limitation because the patentees distinguished sixteen of the prior art references cited in the Petition to Make Special by pointing out that they did not disclose a "transmission system." But this is simply not true; the patentees distinguished references by noting that they did not have a transmission system that performed certain functions – the functions listed in the body of claim 41, among others. *See, e.g.* Petition to Make Special, Hymas Decl. Ex. G, p. 11 ("Fenwick et al. does not disclose a transmission system … for assigning a unique identification code to the retrieved information"). Further, none of the references cited in the Petition to Make Special were ever distinguished solely based on the preamble of claim 41. This can hardly be called the underscoring of the importance of the preamble to the invention that is necessary to make the preamble into a separate limitation. *Intirtool*, at 1295.

(3) The Rounds 1 and 2 Defendants' Reliance On *Eaton* Is Unfounded.

The Rounds 1 and 2 Defendants cite *Eaton Corp. v. Rockwell Int'l Corp.*, 323 F.3d 1332 (Fed. Cir. 2003) for the proposition that whenever a claim recites structure in the preamble that performs the steps of a method claim, the preamble is a separate claim limitation. But that is not what the court in *Eaton* held. Rather, the claim at issue in *Eaton* consisted of a lengthy preamble, and, by contrast, two relatively succinct steps. *Id* at 1335, 1339. Without the preamble, the claim in *Eaton* was meaningless – it would not work. *Id* at 1343. In distinguishing *C.R. Bard* (cited by

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[9] Relevant portions of the amendment are quoted and discussed in this brief with respect to the preamble of claim 19. For the sake of brevity, those quotations and discussion are not repeated here, but apply equally to claims 19 and 41.

Acacia in its opening brief) the *Eaton* court explained, "[t]he structure claim in *C.R. Bard* is therefore very different from [the *Eaton* claim] which has a preamble that does much more than state an intended use of the invention and method steps that require the operation or manipulation of the particular structure identified and described by the preamble." Here, just as in *C.R. Bard* and *Vaupel*, the preamble of claim 41 provides nothing more than the intended use of the invention and a reference point for "remote locations." Just as in *C.R. Bard* and *Vaupel*, and unlike in *Eaton*, the steps of claim 41 can be "read independently of the preamble," and therefore the preamble is not a separate limitation.

19. "Sequence of Addressable Data Blocks" ('992 Patent, Claim 41)

Acacia's contentions regarding the phrase "sequence of addressable data blocks" are set forth above in Section No. 11.

20. "Compressing the Formatted and Sequenced Data Blocks" ('992 Patent, Claim 41)

Both Acacia and the Rounds 1 and 2 defendants believe that the claim phrase "compressing the formatted and sequenced data blocks" does not require construction by the Court. The Round 3 defendants, however, contend both that: (1) all of the formatted data for all of the information must be fully sequenced before compression; and (2) that compression must maintain the sequence of the data blocks. As demonstrated below, neither claim 41 nor the specification of the '992 patent require these limitations to this claim phrase and therefore theses limitations should not be made part of the construction of the phrase "compressing the formatted and sequenced data blocks

a) There is no Limitation in Claim 41 or in the Specification that All of the Formatted Data Must Be Fully Sequenced Before Any Compression Can Commence

The step of claim 41 – "compressing the formatted and sequenced data blocks" – follows the step of "placing the formatted data into a sequence of addressable data blocks." Clearly, this "compressing" step is performed after this "placing" step, because the claim states that formatted and sequenced data blocks are what is being compressed. On this point, all of the parties agree.

The dispute regarding the compressing step, and the other steps of claim 41, centers on whether the "placing" step *must* be fully completed before the "compressing" step can commence.

The Round 3 defendants contend that the "placing" step of claim 41 must be fully performed on *all* of the information *before* the compressing step may even commence. (Round 3 Defendants' Opposition (Par 1), at 46:2-7).

Acacia disagrees with this construction. Acacia contends that the compressing step may commence *before all* of the information has been placed into a sequence of addressable data blocks, but *after* at least a portion of the formatted data from the formatting step has been placed into a sequence of addressable data blocks. The sequence of steps remains (i.e., formatted data is first sequenced and then compressed), but the compressing step does not have to wait for all of the formatted data to be sequenced. In other words, Acacia agrees that the sequence of the steps must be maintained, but there is no *requirement* that *all* of the information be sequenced before compression can occur on any of the formatted data that has been sequenced.

The Round 3 defendants contend that this construction follows from the claims themselves. The claims simply do not say that the sequencing step must be performed on all of the information before the compressing step may commence. If the claims did have this requirement, presumably they would have said something to the effect of: "placing the formatted data *for all of the retrieved information* into a sequence of addressable data blocks; compressing *all of* the formatted and sequenced data blocks *for all of the retrieved information after all of the formatted data blocks for all of the retrieved information has been placed into a sequence of addressable data blocks*." Of course, this is not what claim 41 says.

The Round 3 defendants rely on *Oak Tech., Inc. v. International Trade Commission*, 248 F.3d 1316, 1324 (Fed. Cir. 2001), however, this case actually supports Acacia's construction. In *Oak Tech.*, Oak argued that the claim is broad enough to cover a situation in which the error detection operation commences before the error correction operation is completed. The claim, however, specified that error detection occurs *after* error correction: "First, the 'error correction circuitry' must 'perform [] error correction on said assembled data.' Next, the 'cyclic redundancy checker' must 'detect[] errors in said assembled data after correction of said data by said correction circuitry,' and must ultimately 'provide corrected data." *Oak Techs.*, 248 F.3d at 1325. The court held that this claim language "contemplates and explicitly describes a sequential process." *Id.* This is precisely Acacia's construction – a sequential process. Notably, the Federal Circuit did *not* adopt the construction proposed by the Round 3 defendants, i.e., the Federal Circuit did not limit the construction to require that the error correction circuitry must perform error correction on *all* of the assembled data or that the cyclic redundancy checker must wait until error correction has been performed on *all* of the assembled data before it can commence error detection. The Federal Circuit only required that the steps be performed in sequential order, which is Acacia's construction here.

The Round 3 defendants further contend that the specification supports their construction. It does not. The Round 3 defendants cite "some examples" from the specification, however, none of these "examples" support defendants' construction. None of the quotes from the specification state that the formatted data for all of the information must be placed into a sequence of addressable data blocks before any of the formatted and sequenced data blocks can be compressed. (*See*, Round 3 Defendants' Opposition (Part 1), at 46:22-47:12).

b) The Specification Supports a Sequential Process that Operates Continuously

The Round 3 defendants' construction would actually be inconsistent with the specification. If the process were to operate as the Round 3 defendants contend, then massive amounts of data storage would be needed to store the *uncompressed* data in between the various stages of the process. This would be contrary to one of the reasons why the process requires compression of the data – smaller storage space requirements – which was a very important consideration in 1991, due to the very high cost of storage at that time:

> The benefits of data compression performed by data compressor 116 are shortened transmission time, faster access time, greater storage capacity, *and smaller storage space requirements.*

('992 patent, 9:44-48).

For instance, if the *all* of the information must be retrieved from the items *before* the step of placing the retrieved information into a predetermined format as formatted data can commence, enormous storage devices would be required to store the *uncompressed* retrieved information as it is being retrieved, but *before* it can be formatted. These storage devices would have to be much larger than the storage devices described in the patent for the compressed data library, because here the data is uncompressed. (*See,* '992 patent, 13:9-28). The patent specification does not describe such storage devices following the source material library and before the compressed data library. Similar storage devices would be required to store all of the uncompressed data following both the formatting and sequencing steps as well. Again, the specification does not describe such storage devices.

The Round 3 defendants ignore other portions of the specification, which make clear that the compressor only operates on a group of frames at a time (not all of the frames for all of the information at the same time). According to the specification, the formatted and sequenced data blocks from the time encoder are temporarily stored in a buffer in the precompression processor. The data blocks are organized as frames and only groups of frames (for example 24 video frames) are compressed at any one time:

> Compression processing performed by compessors 128 and 129 requires multiple samples of data to perform optimum compression. Audio and video information [sic] is preferably converted into blocks of data organized in groups for compression processing by audio compressor 128 and video compressor 129, respectively. These blocks are organized as frames, and a number of frames are contained respectively in the buffers 130 and 131. By analyzing a series of frames it is possible to optimize the compression process.
>
> * * *
>
> Compression by compressor 116 may be performed on a group of 24 video frames may preferably be passed in sequence to the frame buffer 130 of the video precompression processor 115b where they are analyzed by video compressor 129 which performs data reduction processing on the video data.

('992 patent, 9:48-57 and 9:66-10:3).

Further, the specification describes the time encoder as operating in a continuous manner. It does not wait for all of the information to be formatted; it operates continuously on formatted data as it is formatted and passes that data to the next step as it is time encoded:

> Time encoding by time encoder 114 is achieved by assigning relative time markers to the audio and video data as it *passes from the converter 113 through the time encoder 114 to the precompression processor115*.

('992 patent, 8:16-19; emphasis added).

The specification also describes an audio and a video buffer, 130 and 131, respectively, which stores a number of frames prior to compression. ('992 patent, 9:54-57). These buffers are described in the specification as being "dual ported." ('992 patent, 9:22-25; 9:35-37). Persons of ordinary skill in the art in 1991 would have understood dual ported buffers to allow data to be input to the buffer while simultaneously removing data from the buffer.

There is simply no support in either claim 41 or the specification to require that *all* of the formatted information be placed into a sequence of addressable data blocks *before* the compressing step may even commence, as the Round 3 defendants ask the Court to construe this term. *Northern Telecom*, 215 F.3d at 1290. ("This court has repeatedly and clearly held that it will not read unstated limitations into claim language.")

The Rounds 1 and 2 defendants present their arguments regarding the compressing step in connection with its contentions regarding the order of all of the steps of claim 41 (*See,* EchoStar's Opposition, at 6:21-12:11). The Rounds 1 and 2 defendants contend that the steps of claim 41 are sequential, i.e., each step must be completed before the next step can commence. The Rounds 1 and 2 defendants do *not* appear to contend, as the Round 3 defendants contend, that each step must be completed *on all of the information* before the next step can be commenced.

Rather, the Rounds 1 and 2 defendants appear to contend that, for any specific portion of the information or for any data block or portion of the data blocks, the previous step must be completed before the next step could commence with respect to that specific portion of the information, data block, or portion of the data blocks. In other words, the process operates sequentially and continuously – for example, at the same time that the first portion of the information is in the process of being stored in a file (after having already been retrieved, formatted, sequenced, and compressed), another portion of the information may be in the process of being compressed (after having first been retrieved, formatted, and sequenced), another portion may be in the process of being sequenced (after having been retrieved and formatted), another portion may be in the process of being formatted (after having been retrieved), and yet another portion may be in the process of being retrieved. Acacia does not disagree with this construction.

c) There is No Limitation in Either the Claims or the Specification that the Sequence of the Data Blocks Must Be Maintained During the Compression Process

The Round 3 defendants further contend that the sequence of the data blocks must be maintained during the compression process. (Round 3 Defendants' Opposition (Part 1), at 47:13-20). This is not a requirement of the claim phrase.

Defendants' proposed construction ignores the fact that the Court has already construed the phrase "sequence of addressable data blocks" to mean time encoded data blocks. Claim 41 requires that, before compression, the formatted data is placed into a "sequence of addressable data blocks." Claim 41 further requires the step of compressing the formatted, sequenced data blocks and the step of storing, as a file, the compressed, formatted, and sequenced data blocks. Thus, the term "formatted and sequenced data blocks" means data blocks that were formatted and time encoded (*See,* '992 patent, 8:7-19) and the term "compressed, formatted, and sequenced data blocks" means data blocks that were formatted, time encoded, and compressed.

Therefore, all that is required by that the claim phrase "compressing the formatted and sequenced data blocks" is that the compressing process begins with formatted and time encoded data blocks and results in compressed, formatted, and time encoded data blocks.

The Round 3 defendants' proposed construction totally ignores the meaning of "sequence of addressable data blocks" as time encoded data blocks. Time encoded data blocks are in a sequence, because each data block has been assigned a relative time marker. (*See,* '992 patent, 8:16-19). So long as the time markers for each data block is known, the data blocks are in sequence. This is because the sequence would be known, even if the data blocks are not physically in a line, one after another. This further is evidenced by the fact that the patentees understood that video and audio data blocks may be aligned following compression and that the time codes may be necessary to realign the audio and video information following compression and prior to being placed into a file:

> Time encoding allows realignment of the audio and video information in the compressed data formatting section 117 after separate audio and video compression processing by precompression processor 115 and compressor 116.

('992 patent, 8:2-6).

21. "Sending at Least A Portion of the File to One of the Remote Locations" ('992 Patent, Claim 41)

a) Claim 41 is Not Limited to Transmitting Information to "One and Only One" Remote Location

The Rounds 1 and 2 defendants contend that the phrase "sending at least a portion of the file to one of the remote locations" should be limited to sending to "one and only one" remote location." The Round 3 defendants merely re-state the claim language and contend that the sending is to "one of the remote locations."

Acacia contends that this phrase is not limited to sending the portion of the file to one *and only one* of the remote locations. Instead, when read in the full context of the claim (i.e., the preamble, which defines the method as transmitting information to remote location**s** and the transitional phrase "comprising"), the sending step should not be limited to *only* one remote location. Thus, sending to one remote location is required; other remote locations are permitted, but are not required. *See, e.g., Gillette Co. v. Energizer Holdings, Inc.,* 405 F.3d 1367 (Fed. Cir. 2005) (holding that razor with four blades infringed claim for razor "comprising a group of" first, second, and third blades.)

(1) Defendants Ignore the Preamble of Claim 41, Which Defines Claim 41 as Being for a Method of Transmitting Information to Remote Locations

The Rounds 1 and 2 defendants' contend, based on the dictionary definition for the term "one," that the ordinary meaning of the word "one" means one *and only one* and therefore the sending step should be limited to one and only one remote location. This is not what the claim says; the words "and only one" are not used in the claim. Defendants place far too much emphasis on the dictionary definition. As demonstrated in Acacia's opening brief and below, the dictionary definition of "one" relied on by defendants is inconsistent with the context of the claim and with the patent specification. *See, Phillips,* 415 F.3d at 1321 ("The main problem with elevating the dictionary to such prominence is that it focuses the inquiry on the abstract meaning of words rather than on the meaning of claim terms within the context of the patent. Properly viewed, the 'ordinary meaning' of a claim term is its meaning to the ordinary artisan after reading the entire patent. Yet heavy reliance on the dictionary divorced from the intrinsic evidence risks transforming the meaning of the claim term to the artisan into the meaning of the term in the abstract, out of its particular context, which is the specification.")

Again, the Rounds 1 and 2 defendants are improperly ignoring the full context of the claim. *See, Phillips*, 415 F.3d at 1314; *Brookhill-Wilk*, 334 F.3d at 1299; *Wilson Sporting Goods,* 442 F.3d 1322, 2006 U.S. App. LEXIS 7169, *12-14. Claim 41 includes a preamble, which the Rounds 1 and 2 defendants contend is a limitation of claim 41, but which they ignore here (See, Section No. 18). The preamble of claim 41 states that this claim is a "method for transmitting information to remote location**s**" The ordinary meaning of this phrase is that information is transmitted to more than one remote location. The claim states in the "sending" step that the information is transmitted to one of the remote locations. If defendants' proposed construction is adopted and the sending step is limited to sending information to one *and only one* remote location, then the preamble statement that this claim is for a "method of transmitting information to remote locations" would be given absolutely no effect and the claim would be construed contrary to its intended purpose.

(2) The *Interactive Gift Express* Case Supports Construing Claim 41 as Not Being Limited to Transmitting to One and Only One Remote Location

The fact that the preamble of claim 41 states that the method is for transmission of information to remote locations means that the phrase "sending . . . to one of the remote locations" means the sending step does not *require* sending to more than one remote location. In other words, this phrase cannot be limited to sending information to one *and only one* remote location. This was the holding of the Federal Circuit in a case involving nearly the same facts as the present case. *See, Interactive Gift Express, Inc. v. Compuserve, Inc.*, 256 F.3d 1323, 1334 (Fed. Cir. 2001). The Rounds 1 and 2 defendants contend that the case supports their construction of "one and only one" remote location, but this was not the holding in *Interactive Gift Express*.

In *Interactive Gift Express,* 256 F.3d at 1334, there were two claims at issue. Like claim 41, both claims had preambles which stated that that the method for one of the claims and the apparatus for the other claim included a plurality of "material objects":

> 1. A method for reproducing information *in material objects* utilizing information manufacturing machines located at point of sale locations. . .

> 37. An apparatus for reproducing information *in material objects* at point of sale locations. . .

Interactive Gift Express, 256 F.3d at 1328-29 (emphasis added).

Like claim 41, the body of the claims, however, described only a singular "material object":

> 1. . . . receiving the request reproduction code and the authorization code at the information manufacturing machine and reproducing *in a material object* the information identified by the catalog code included in the request reproduction code in response to the authorization code authorizing such reproduction.
>
> 37. . . . and the information machine being adapted to reproduce the information identified by the catalog code *in a material object* in response to receiving the authorization code.

Interactive Gift Express, 256 F.3d at 1328-29 (emphasis added).

The district court held that these claims, as a whole, meant that there must be at least two material objects. *Interactive Gift Express*, 256 F.3d at 1334. On appeal, however, the Federal Circuit held that the fact that the claim initially mentions "material objects" in the plural and then modifies it with a reference to the singular meaning means that the claim does not *require* more than one "material object":

> Although the single element of claim 37 initially mentions material objects in the plural, it is later modified by a singular reference *and does not require more than one material object.* . . . The preambles do not require multiple material objects at each point of sale location. Given the preambles' generality, we need not consider whether they are more than statements of intended use.

Interactive Gift Express, 256 F.3d at 1334 (emphasis added).

The effect of the Federal Circuit's decision meant that, although these claims did not require multiple material objects, the claims did not exclude multiple material objects either; rather, based on the specification, the claims merely mean that the supply *can* consist of one material object (not "must consist of only one," as the Rounds 1 and 2 defendants contend, or "must consist of two or more," as the district court held):

> Accordingly, we hold that the entirety of the specification dictates that the reference to a plurality be understood to refer to a "supply" of blank material objects, and that the supply can consist of one material object.

Interactive Gift Express, 256 F.3d at 1335.

In accordance with the *Interactive Gift Express* case, therefore, the use of the plural "remote locations" in the specification together with the use of the singular in the sending step and with the references to sending to plural "remote locations" in the specification ('992 patent, 4:52-63; 15:47-54; and 15:61-16:3) means that claim 41 should be construed such that information can be sent to one or more remote location.

(3) The *WMS Gaming* and *Tulip Computers* Cases, Relied on by Defendants, are Distinguished from the Facts of this Case

The Rounds 1 and 2 defendants rely most heavily on two cases to support their contention that the sending phrase means sending to one and only one remote location. Each case, however, is easily distinguished from the present case. For instance, in *WMS Gaming, Inc. v. International Game Tech.*, 184 F.3d 1339 (Fed. Cir. 1999) the context of the claim, which was different than the context of claim 41, demonstrated that the claim phrase "selecting one of said plurality of assigned numbers" referred to one and only one assigned number. *WMS Gaming*, 184 F.3d at 1349. This was because another portion of the claim referred to stopping a reel at a position represented by "the selected number" and because selecting more than one number was not disclosed in the specification. *WMS Gaming*, 184 F3d at 1350 ("In addition, the last limitation of the claim refers to 'said selected number.' This reference to 'number' in the singular sense bolsters the interpretation that 'selecting one of said . . . numbers' is limited to selecting a single number. Nothing in the written description, drawings, or prosecution history indicates that the phrases 'one of said . . . numbers' or 'said selected number' should be given anything other than their ordinary meaning.")

Thus, in *WMS Gaming*, unlike claim 41 of this case, there was no reference at all in the claim or in the specification to selecting more than one number. Additionally, in *WMS Gaming*, unlike the present case, the claim referred *twice* to the term "number" in the singular. Claim 41, on the other hand, references sending to "remote locations" in the plural.

The case of *Tulip Computers, International B.V. v. Dell Computer Corp.*, 236 F.Supp. 2d 364 (D. Del. 2002) is also easily distinguished from this case. In *Tulip*, the district court construed the claim phrase "wherein a predefined one of the positions on the riser card has both ISA type and PCI type expansion connectors associated therewith" to mean that the riser card has a single expansion position having a single combi-connector. The claim and specification at issue in the *Tulip* case, however, are very different from claim 41 of the '992 patent. Unlike claim 41 of the '992 patent, the claim at issue in *Tulip* did not state anywhere else in the claim that there are multiple positions for the combi-connectors, as claim 41 does in its preamble with respect to "remote locations". *Tulip,* 236 F. Supp. 2d at 369-370. Further, unlike the '992 patent, the specification in the *Tulip* case was limited to only one position for the combi-connectors. *Tulip*, 236 F.Supp. 2d at 398 ("The language of the specification reinforces the plain language of the claims and provides no basis to broaden the scope of these claims.")

(4) The Cases Holding that the Term "a" is Construed as "One or More" Are Analogous and Relevant

The Rounds 1 and 2 defendants contend that the cases which hold that the meaning of the term "a" in claims using the transitional term "comprising" is presumed to be "one or more" are not analogous to this issue. *See, e.g., Free Motion Fitness,* 423 F.3d at 1350-1351 (construing "a linking cable" as "one or more linking cables" and stating that "the claim term "'a' or 'an' in patent parlance carries the meaning of 'one or more' in open-ended claims containing the transitional phrase 'comprising.'"); *CollegeNet*, 418 F.3d at 1232; *KCJ Corp.*, 223 F.3d at 1357; *Scanner Technologies*, 365 F.3d at 1304-05; (*See,* Acacia's Opening Brief, at 12). These cases are analogous to the present case and the Court should follow them here.

Defendants' contention regarding the term "one" is that it has a dictionary meaning limited to the singular. The same is true for the term "a." *Webster's Third New International Dictionary* defines "a" as "used as a function word to suggest limitation in number, *ex. with only **a** brigade to defend the fort*." (Block Supp. Decl., Exhibit 9). According to defendants, the term "a" (like the term "one") would always be construed as "one and only one." This is not the case, however, as demonstrated by the many Federal Circuit cases which hold that the term "a" when used in a claim having the transitional phrase "comprising" means "one or more." In other words, the word "a" is not given its dictionary meaning, which would suggest limitation in number; rather it is given a broad meaning of "one or more" in these claims.

The Rounds 1 and 2 defendants contend that the article "a" is used to modify other terms in claim 41 and therefore the terms "a" and "one," being both used in claim 41 are forbidden from having the same meaning. (EchoStar's Opposition, at 15:7-17). Again, there is no rule that two different terms in the same claim are only permitted to have different meanings; it is only an inference, which may be overcome. *Bancorp*, 359 F.3d at 1373 (finding that two different terms had the same meaning: "That inference, however, is not conclusive; it is not unknown for different words to be used to express similar concepts, even though it may be poor drafting practice.") Here, the inference is overcome because claim 41 is defined as a method of transmitting information to remote locations.

(5) The Specification Discloses Embodiments In Which Information is Transmitted to More Than One Remote Location

The Rounds 1 and 2 defendants contend that the specification describes embodiments in which the information is sent to only remote location. (EchoStar's Opposition, at 15:25-16:28). That is true; however, there are other embodiments in the specification in which the information is sent to more than one remote location. ('992 patent, 4:52-63; 15:47-54; and 15:61-16:3). These embodiments are consistent with claim 41, which states that the claim is for a method of transmitting information to remote locations. The presence of these embodiments in the specification further means that the patentees did not limit their invention to only methods for transmitting information to one and only one remote location. Acacia's construction is therefore consistent with the specification, as it must be.

The Rounds 1 and 2 defendants further contend that language used in other claims, such as "plurality" and "at least" were used in other claims, but were not used in claim 41, meaning that the patentees intended that claim 41 mean "one and only one." Defendants, of course, ignore the preamble which states that patentees knew that they were claiming a method for transmitting information to remote locations. If the Court adopted defendants' proposed construction, the claim would no longer be for the method claimed by the patentees; instead, the claim would be for a method for transmitting information to one and only one remote location.

(6) The Patentees Made Statements In the '992 Patent

Prosecution History Which Confirm that Claim 41 Permits Transmission of Information to Remote Locations

The Rounds 1 and 2 defendants further contend that statements made in 1995 by the patentees during the prosecution of different claims in the '863 patent application, affect the meaning of claim 41 of the '992 patent, which issued in 1992. Defendants ignore other statements made by the patentees directly in the '992 patent file history when discussing claim 1 of the '992 patent, which unequivocally demonstrate that the patentees intended, and the Examiner understood, that claim 1 (and 41) relate to transmission of information to remote locations, not to one and only one remote location. The patentees intended that claim 41 would correspond to claim 1 of the '992 patent.[10] Claim 1, like claim 41, states in the preamble: "A transmission system for providing information to be transmitted to remote locations. . ." and includes a "transmitter means, coupled to the compressed data storing means, for sending at least a portion of one of the files to one of the remote locations."

The first two instances where the patentees demonstrated that they intended claim 1 to relate to transmission of information to multiple remote locations occurred in the Petition to Make Special ("PTMS"). On page 3 of the PTMS, the patentees characterized claim 1 as follows: "Claims 1-17 are directed to a transmission system for providing information to remote locations." (Exhibit B to Benyacar, p.3). Then, on page 6, the patentees distinguished the *Lang* patent from claim 1 on the grounds that *Lang* did not teach a transmission system for providing information to remote locations:

> Lang does not disclose a transmission system as recited in independent claim 1 because Lang does not teach or suggest a transmission system for providing information to remote locations which includes library means for storing items.

(PTMS, at 6, Exhibit B to Benyacar, p. 6)

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[10] When the patentees added claim 41 to the application for the '992 patent, the patentees stated that: "Applicants also have added independent claims 41, 47, and 54 which correspond generally with independent claims 1, 18, and 22, in order to obtain full apparatus and method coverage consistent with coverage provided by the original claims." (September 30, 1991 Remarks, at 17; Exhibit E to Benyacar Decl.).

On August 29, 1991, the Examiner issued a rejection of claim 1 over *Lang*, in which the Examiner stated that "Lang discloses a video/audio storage system which is capable of providing information to remote locations." (August 29, 1991 Office Action, at 2; Block Supp. Decl., Exhibit 10). The Examiner's rejection is very important, because it demonstrates that the Examiner agrees with Acacia's construction – that claim 1 (and claim 41) can cover transmission of information to multiple remote locations. The Examiner could not have made this statement if he believed that claim 1 only covered transmissions of information to one and only one remote location. If that were the case, then *Lang* could not invalidate claim 1, because, according to the Examiner's understanding of *Lang, Lang* would not meet this limitation.

In response to the Examiner's rejection of claim 1, the patentees did not challenge the Examiner's statement that *Lang* discloses a system which is capable of providing information to remote locations. (September 30, 1991 Response, at 18-20; Block Supp. Decl., Exhibit 11). That is, the patentees did *not* correct the Examiner to state that claim 1 does not cover transmission to remote locations. Instead, the patentees addressed other issues regarding *Lang*, such as the library means, the identification encoding means, and the ordering means. *Id.*

(7) The Patentees' Statements in the '863 Patent Prosecution History With Respect to Different Claims Do Not Overcome the Statements in the '992 Patent Prosecution History and Do Not Evidence Clear Disavowals of Claim Scope

The Rounds 1 and 2 defendants skip over the '992 patent prosecution history in favor of statements made four years later in the prosecution history of the '863 patent with respect to *different* claims. The Examiner initially rejected prosecution claims 21 and 22 of the '863 patent application under 35 U.S.C. § 101 for double patenting claim 1 of the '992 patent. In response to this rejection, the patentees listed the many differences between prosecution claims 21 and 22 and claim 1 of the '992 patent:

> Claims 21 and 22 of the application cover different subject matter than claim 1 of the '992 patent. For example, as the Examiner recognizes, claims 21 and 22 do not recite ordering means and compression means as claim 1 does. Thus, a system may infringe claims 21 and 22 without infringing claim 1 of the '992 patent, and the claim must be drawn to different inventions. Additionally, claim 21 recites coordinated transmission of the formatted data which is not recited in claim 1 of the '992 patent. Therefore, claims 21 and 22

> do not recite the same invention as claim 1 of the '992 patent, and Applicants request withdrawal of the 35 U.S.C. § 101 rejection.

(September 21, 1994 Response, at 3; Block Supp. Decl., Exhibit 12).

Following a rejection of prosecution claims 33 and 34 (renumbered claims 21 and 22) over Ballantyne, the patentees distinguished Ballantyne on the grounds that Ballantyne lacks the limitation, present in claims 33 and 34, that the information being transmitted came from a plurality of libraries:

> Thus, Ballantyne et al. disclose that movies may be distributed from either a central library or a regional library. Ballantyne et al. do not disclose or recognize that movies may be distributed to a single user from both a central library and regional library. Rather, in the system of Ballantyne at el. [sic] a user only receives movies from a single library.

(May 30, 1995 Response, at 5; Block Supp. Decl., Exhibit 13).

The portions of this Response relating to prosecution claims 33 and 34 in the later-'863 patent, relied on by the Rounds 1 and 2 defendants (EchoStar's Opposition, at 19:10-24), do not support defendants' construction in claim 41 of the '992 patent that the transmission is limited to *one and only one* remote location, and, if it did, it would contradict the patentees' statements made in the file history of the '992 patent, when the patentees were commenting on the relevant claim – claim 1 of the '992 patent. Defendants therefore cannot show that the patentees characterized their invention or claim 41 of the '992 patent as being limited specifically to transmission to *one and only one* remote location. *See, Teleflex*, 299 F.3d at 1326; *Cordis*, 339 F.3d at 1358.

22. The Order of the Steps of Claim 41 ('992 Patent, Claim 41)

a) There is No Limitation that Each Step of Claim 41 Must Only Begin After the Prior Step Has Been Completed for All of the Information

Acacia's reply to defendants' contentions regarding the order of the steps of claim 41 is set forth above in Section No. 20, subsection (a), with respect to the construction for the phrase "compressing the formatted and sequenced data blocks."

VIII. CLAIM 42 OF THE '992 PATENT

23. The Order of the Steps of Claim 42 ('992 Patent, Claim 42)

a) The Steps of Claim 42 May be Performed Before, After, or Simultaneously with the Formatting Step of Claim 41

Both groups of defendants contend that the steps of claim 42 must be performed as part of the placing-into-formatted-data-step of claim 41. Claim 41 states that the step of placing "further includes" the two steps listed in claim 42. The steps of claim 42 relate to analog signals in the retrieved information. Other non-analog signals would be handled in the placing step of claim 41. Thus, the Round 3 defendants' contention that the steps of claim 42 must be performed simultaneously with the step of claim 41 because they result in the same output (formatted data) does not follow. Nothing in the claims or the specification states that the formatted data from the analog signals must be obtained at exactly the same time as the formatted data for the non-analog information, i.e., the formatted data for the analog information many precede or follow the formatted data for the non-analog information.

IX. CLAIM 43 OF THE '992 PATENT

24. The Order of the Steps of Claim 43 ('992 Patent, Claim 43)

a) The Steps of Claim 43 May be Performed Before, After, or Simultaneously with the Formatting Step of Claim 41

Acacia's reply to defendants' contentions regarding the order of the steps of claim 43 is contained above in Section No. 23, with respect to claim 42. Claim 43 is similar to claim 42 except for the fact that claim 43 relates to retrieved digital information.

X. CLAIM 44 OF THE '992 PATENT

25. The Order of the Step of Claim 44 ('992 Patent, Claim 44)

Acacia's reply to defendants' contentions regarding the order of the steps of claim 44 is contained above in Section No. 23, with respect to claim 42. Claim 44 is similar to claim 42 except for the fact that claim 44 relates to retrieved digital information.

XI. CLAIM 45 OF THE '992 PATENT

26. "Separately Storing a Plurality of Files, Each Including Compressed, Sequenced Data Blocks" ('992 Patent, Claim 45)

Both groups of defendants contend that claim 45 is "insolubly ambiguous" and therefore it is invalid as being indefinite, because it is allegedly unclear as to which of the files would be sent. Defendants appear to be arguing that there is no "antecedent basis" for "the file" in claim 45 which is being sent. Although Acacia believes that there is sufficient antecedent basis for the file in claim

45, even if the Court finds a lack of antecedent basis, this is not a grounds for finding claim 45 indefinite. *Energizer Holdings, Inc. v. International Trade Commission*, 435 F.3d 1366, 1370 (Fed. Cir. 2006) ("When the meaning of the claim would reasonably be understood by persons of ordinary skill when read in light of the specification, the claim is not subject to invalidity upon departure from the protocol of 'antecedent basis.'"); *Bose Corp. v. JBL, Inc.*, 274 F.3d 1354, 1359 (Fed. Cir. 2001) ("The Manual of Patent Examining Procedure ('MPEP') states: 'the failure to provide explicit antecedent basis for terms does not render a claim indefinite. If the scope of a claim would be reasonably ascertainable by those skilled in the art, then the claim is not indefinite.' MPEP § 2173.05(e) (6th ed. Rev. 1, Sept. 1995)")

Claim 45 details how, through formatting, sequencing, and compressing steps, a file Claim 45 would easily have been understood by persons of ordinary skill in the art in 1991 to have meant that the file that includes the compressed, formatted, and sequenced data blocks created in the previous steps is the file that is sent. Claim 45 is therefore not ambiguous and it is not indefinite.

27. The Order of the Steps of Claim 45 ('992 Patent, Claim 45)

The Rounds 1 and 2 defendants contend that the steps of claim 45 must be performed as part of the storing step. Claim 45 adds the step of separately storing a plurality of files. Nothing precludes this step from occurring before, after, or simultaneously with the step of storing of claim 41.

XII. CLAIM 46 OF THE '992 PATENT

28. "Receiving Transmission Requests to Transmit Available Items" ('992 Patent, Claim 46)

Both groups of defendants contend that claim 46 is indefinite, because it depends from claim 45, which defendants contend is indefinite. Acacia's reply is contained above in Section No. 26 with respect to claim 45.

29. The Order of the Steps of Claim 46 ('992 Patent, Claim 46)

Both groups of defendants correctly point out that Acacia's contention that all of the steps of claim 46 may be performed before, after, or simultaneously with any other step of claim 41 is inconsistent with the steps of claims 46. The first and second steps of claim 46 refers to "available items" and the third step of claim 46 refers to retrieving stored formatted data blocks. Therefore, the steps of claim 46 are performed after the storing step (storing, as a file) of claim 41.

XIII. CLAIMS 47, 48, 49, 51, 52, AND 53 OF THE '992 PATENT

30. Acacia Is Withdrawing Claims 47, 48, 49, 51, 52, and 53 and Will No Longer Assert These Claims In This Litigation

As discussed above in the Introduction, Acacia hereby withdraws claims 47, 48, 49, 51, 52, and 53 from this litigation. The Court does not have to construe term nos. 30-43.

XIV. CLAIMS 2 AND 5 OF THE '275 PATENT

44. "Reception System Associated With a Receiving System at One of the Remote Locations Selected by the User" ('275 Patent – 2, 5)

The Rounds 1 and 2 defendants do not address claim phrase from claims 2 and 5 of the '275, other than to contend that the claims use the term "receiving system," and the Rounds 1 and 2 defendants contend that this term is indefinite. The Rounds 1 and 2 defendants further contend, without any explanation or support, that the term "associated with" is unclear. "Associated with" is perfectly clear; it refers to the fact that a reception system is "associated with" a receiving system at a selected remote location in the sense that "by selecting the receiving system, the user also selects the reception system." (Round 3 Defendants' Opposition (Part I), at 54:14-17).

45. "Sending a Request, by the User to the Transmission System, for at Least a Part of the Stored Information to be Transmitted to a Reception System Associated With a Receiving System" ('275 Patent, Claims 2, 5)

This phrase is very similar to the phrase from claim 19 and Acacia's reply to the issues raised by the Round 3 defendants' construction with respect to the meaning of the term "selected remote location" is contained in Section No. 8, *supra.*

The Round 3 defendants further contend that the reception system is required to be at the head end of a cable television system, based on a statement made by the patentees in a preliminary amendment to the '275 patent application. (Round 3 Defendants' Opposition, at 54:19-55:13). The statement relied on by the Round 3 defendants in the '275 patent prosecution history related to pending prosecution claims 1, 18, and 22: "The amendments to the claims are similar to those made in allowed claims 1, 18, and 22 but add a reception system located at the head end of a cable television reception system." Only prosecution claim 1 of the '275 patent application actually included the limitation in the claim itself that the reception system is located at the head end of a cable television system: ". . . transmitter means, coupled to the compressed data storing means, for sending at least a portion of one of the files to a reception system at a head end of a cable television system for subsequent transmission to one of the remote locations." (April 2, 1992 Preliminary Amendment, at 3; Exhibit H to Benyacar Decl.) Prosecution claims 18 and 22 did *not* include the limitation that the "reception system" is at the head end of cable television reception system. *Id.* at 3-5.

Thus, the statement in the preliminary amendment in the '275 patent application actually addressed only prosecution claim 1 (corresponding to claim 1 of the '275 patent). Prosecution claims 18 and 22 (corresponding to claims 2 and 3 of the '275 patent) do not include this language in the claims, and therefore the patentees' statement does not apply to prosecution claims 18 and 22 (and therefore does not apply to claims 2 and 3 of the '275 patent). For this reason, the patentees' statement does not apply to claim 5 of the '275 patent, which the patentees added later.

46. "Playing Back the Stored Copy of the Information from the Reception System to the Receiving System at the Selected Location at a Time Requested by the User" ('275 Patent, Claim 2)

The Round 3 defendants contend that the term "playing back," by itself, means the transmission of requested information, in uncompressed format, to a device, such as an audio amplifier or television, so that the information can be viewed or heard. (*See*, Round 3 Defendants' Opposition (Part 1), at 26:17-19). Based on this alleged definition for "playing back," by itself, the Round 3 defendants contend that the "receiving system" of claims 2 and 5 of the '275 patent must be a playback device, i.e., the receiving system must be a device on which playback can occur. (Round 3 Defendants' Opposition (Part 1), at 56:1-3 and 56:19-22).

The Round 3 defendants' construction would be inconsistent with the claims and with the specification, because defendants ignore the context of claims 2 and 5 in which the term "playing back" is used and ignore the specification which distinguishes the receiving system from the playback device. In claim 2 of the '275 patent, the term "playing back" is used in the phrase "playing back the stored copy of the information from the reception to the receiving system at the selected location at a time requested by the user." In claim 5 of the '275 patent, the term "playing back" is used in the phrase "playing back the stored copy of the information sent over a cable communication path from the reception system to the receiving system at the selected location at a time requested by the user." Further, in the specification, the receiving system is depicted in Figure 6, but it does *not* include a playback system. A playback system is described in the specification as a TV or an audio amplifier or an audio/video recorder; the receiving system is not a playback system. ('992 patent, 18:36-39).

Thus, in the context of claims 2 and 5, playing back the information refers to the process of providing signals comprising video and/or audio information to the receiving system, the signals being capable of being displayed and/or heard on a device, such as an audio amplifier and/or television, or recorded. Playing back in the context of claims 2 and 5 therefore refers to the fact that the signals from the reception system to the receiving system are in a form which can be displayed or heard on a device or recorded. Nothing in claims 2 or 5 or the specification states that signals *must also* be viewed on the receiving system.

Further, the Round 3 defendants' proposed construction is obviously litigation-driven. Defendants seek a construction in which the Court would instruct the jury that the "receiving system" cannot be a set top box. (Joint Claim Chart, Term No. 46). There is no basis for including this limitation in the construction for receiving system. The word "set top box" are not even used in the specification. The Court should be instructing the jury as to what the "receiving system" is not, especially when defendants will undoubtedly argue that their users have set top boxes.

47. "Sending at Least a Portion of the Stored Information to the Reception System" ('275 Patent, Claim 2)

Acacia's reply regarding this phrase is contained in Section No. 9, *supra*.

48. "Playing Back the Stored Copy of the Information Sent Over a Cable Communication Path from the Reception System to the Receiving System at the Selected Location at a Time Requested by the User" ('275 Patent, Claim 5)

Acacia's reply regarding this phrase is contained in Section No. 46, *supra*.

49. The Order of the Steps of Claims 2 and 5 of the '275 Patent ('275 Patent, Claims 2 and 5)

Acacia's reply regarding this phrase is contained in Section No. 10, *supra*.

XV. CONCLUSION

For the foregoing reasons, Acacia respectfully requests that the Court adopt Acacia's proposed constructions for the terms of claims 19-24, 41-46 of the '992 patent and claims 2 and 5 of the '275 patent.

DATED: May 24, 2006

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PROOF OF SERVICE-UNITED STATES DISTRICT COURT

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I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action; my business address is 601 South Figueroa Street, Suite 3300, Los Angeles, California 90017.

On May 24, 2006, I served a copy of the within document(s) described as **PLAINTIFF ACACIA MEDIA TECHNOLOGIES CORPORATION'S COMBINED REPLY IN SUPPORT OF LEGAL MEMORANDUM RE THE DEFINITIONS OF THE CLAIM TERMS FROM THE '992 AND '275 PATENTS** by transmitting via United States District Court for the Central District of California Electronic Case Filing Program the document(s) listed above by uploading the electronic files for each of the above listed document(s) on this date, addressed as set forth on the attached Service List.

The above-described document was also transmitted to the parties indicated below, by Federal Express only.

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I am readily familiar with Hennigan, Bennett & Dorman LLP's practice in its Los Angeles office for the collection and processing of federal express with Federal Express.

Executed on May 24, 2006, at Los Angeles, California.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

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